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## Malaysia Threatens Economic 'Saboteurs'

Mahathir Halts Infrastructure Projects

By Michael Richardson  
International Herald Tribune

SINGAPORE — Malaysia threatened Thursday to use its tough anti-sabotage law to arrest those who "sabotage" its economy and announced that it had been forced to postpone key construction projects because of damage to its currency from financial market turmoil.

The moves came as fresh financial turbulence dragged most Southeast Asian currencies, led by the Malaysian ringgit, to new lows against the dollar.

Among the postponements, Prime Minister Mahathir bin Mohamad said, was the \$6 billion Bakun hydroelectric project in Borneo, which he said would be delayed indefinitely. Its developer, Ekran Bhd., said earlier Thursday that it had dropped ABB Asea Brown Boveri and the other main contractors for the project following a dispute over contract terms. (Page 13)

Kuala Lumpur, Mr. Mahathir said, had "decided that recently announced projects such as the northern airport, the Linear City and several highways will be deferred owing to the weakness of the ringgit."

It was not immediately clear what effect this would have on the government's high-profile plans to establish a huge multimedia corridor in the country.

In an apparent shift of policy intended to try to restore battered investor confidence, Mr. Mahathir also said that a ban imposed last week on short-selling shares would be lifted because the problem was now "under control." Foreign fund managers had protested the restrictions.

The threat to use the anti-sabotage law was a move that underlined sharp policy differences with other countries in the region also trying to halt turmoil on their stock and foreign exchange markets.

Despite the arrest warning and Mr. Mahathir's announcement Wednesday that the government would inject up to \$20 billion into the market, Malaysian stocks fell for the 11th consecutive day Thursday, with the benchmark Composite Index finishing down 2.62 percent, at 731.12 points, its lowest level since 1993. The index had fallen as much as 10 percent in the day as foreign investors dumped shares, before recovering on local buying.

The ringgit fell sharply, raising the dollar to a record 3.0352 ringgit from 2.9353 on Thursday.

Analysts said investors had been unnerved by the government's threat to use the Internal Security Act against Malaysians found aiding foreign speculators selling off stocks and the ringgit. The act allows for vir-

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## 7 Die in Jerusalem Mall Bombing



A wounded woman being treated Thursday at the Jerusalem blast scene.

## A New Blow to Peace Process As Albright's Mission Nears

By John Lancaster  
Washington Post Service

JERUSALEM — Three suspected Palestinian terrorists walked into a busy pedestrian mall Thursday afternoon and detonated bombs, killing themselves and four other people and wounding about 170 in the heart of Jewish West Jerusalem.

About 3 P.M. on faded Ben-Yehuda Street, which was crowded with shoppers and diners at outdoor cafes, the three bombers, one of whom apparently was disguised as a woman, detonated nail-studded explosives concealed in bags. The succession of blasts shattered windows up and down the street and sent pedestrians running for cover.

After the blast, which was heard throughout the city, the police promptly sealed off the area, which was strewn with body parts, upended cafe tables and chairs and other debris. A corpse lay under a white plastic sheet not far from the Burger King, one of numerous American franchises in the area.

The attack was the second here in little more than a month and dealt another crippling blow to the disintegrating partnership between Prime Minister Benjamin Netanyahu and Yasser Arafat, the Palestinian leader.

In a statement faxed to international news agencies, the militant group Hamas took responsibility for the attack.

Israeli officials, however, said they held Mr. Arafat responsible for the attack and promptly banned Palestinians from crossing into Israel or from traveling to other Arab countries or between Palestinian-held towns.

The Israeli authorities had only this week begun to ease the closure imposed after the July 30 bombing of an outdoor market here, which killed two suicide bombers and 15 other people.

Mr. Arafat, speaking with reporters in Palestinian-ruled Gaza, said, "I condemn completely these terrorist activities, which are not only against the people who lost their lives, but against the Israelis, the Palestinians and the whole peace process."

Mr. Netanyahu, however, rejected Mr. Arafat's words as inadequate. "Unless we find changes in the Palestinians' fighting terrorism, unless they make the choice between peace with Israel and peace with Hamas, then this process cannot continue," he said while visiting wounded at a hospital here. "We will not continue on this route of periodic bouts of terrorism."

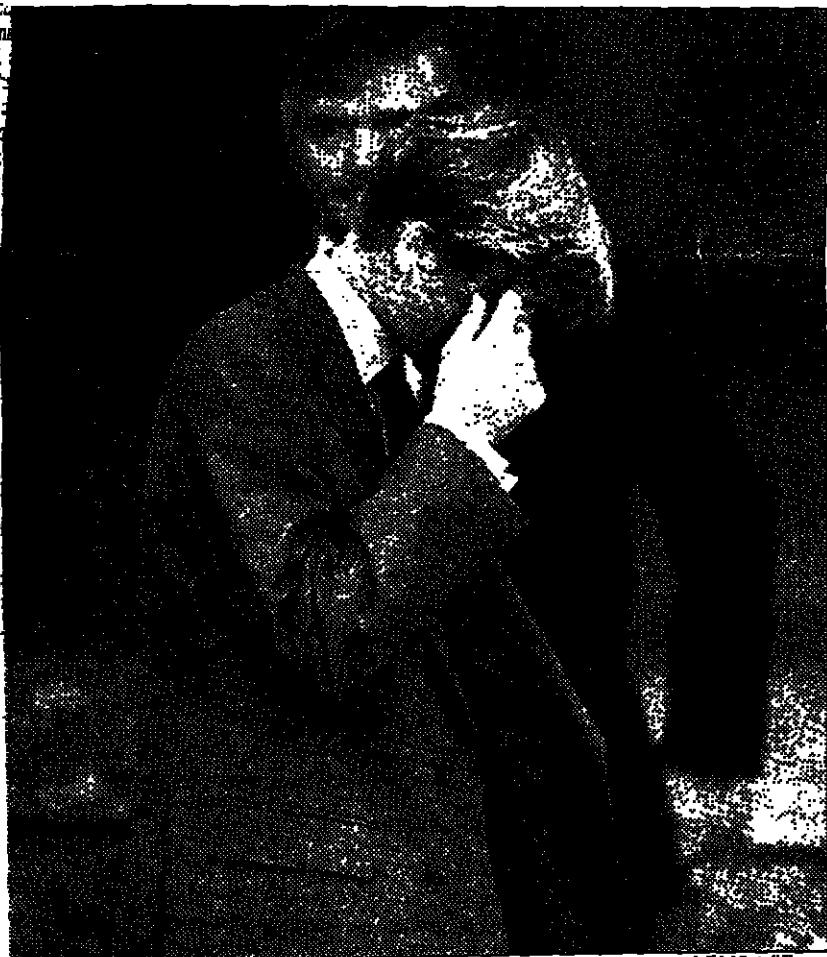
The suicide bombings posed a new challenge for American policymakers, in particular Madeleine Albright, who is scheduled to arrive here next week on her first visit to the Middle East since becoming secretary of state.

Declaring that terrorism would not be tolerated, President Bill Clinton condemned bombings in Jerusalem and said Mrs. Albright would go ahead with a trip to the region next week.

Mr. Clinton said the bombers were trying to kill the peace process as well as innocent people and that they must not be allowed to succeed. He again called on Mr. Arafat to succeed He again called on Mr. Arafat to succeed He again called on Mr. Arafat to succeed

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## Stung by Critics, Elizabeth Will Address Her Subjects



Prince William, 15, wiping his eyes after viewing floral tributes to his mother, Diana, outside Balmoral Castle in Scotland on Thursday.

By Warren Hoge  
New York Times Service

LONDON — Stung by charges that the royal family was unmoved by the death of Diana, Princess of Wales, Buckingham Palace announced Thursday that Queen Elizabeth II would come to London from her holiday estate in Scotland on Friday and make a television address to the nation on the eve of Saturday's funeral.

"The royal family have been hurt by suggestions that they are indifferent to the country's sorrow at the tragic death of the Princess of Wales," the queen's press secretary, Geoffrey Crawford, said in a statement, which was as unexpected as it was rare.

"The princess was a much-loved national figure, but she was also a mother whose sons miss her deeply," the statement continued. "Prince William and Prince Harry themselves want to be with their father and grandparents at this time in the quiet haven of Balmoral."

"As their grandmother, the queen is helping the princes to come to terms with their loss."

The royal family generally does not respond to criticism and the statement was striking for its confessional and defensive tone.

A queen making a speech other than the ceremonial Christmas greeting or the reading before the opening session of each Parliament of the government's legislative goals is a great departure from tradition. The only other time in her reign that she has done so was an address to the nation about the Gulf War on Feb. 24, 1991.

She was to have taken an overnight ride on her train, arriving in London on Saturday morning for the funeral that is expected to bring as many as 2 million people here.

Since the death of Diana in a car crash in Paris early Sunday morning, the family has issued only two brief communiques.

In neither did it mention the princess, a point noted by people critical of the family for keeping its feelings in check and remaining in Scotland while there was such an outpouring of grief in the capital.

The statement Thursday did not explicitly mention the sorrow felt by the queen or members of the family for the death of Diana, whom they resented in life for the damage they believe she did the monarchy during her acrimonious separation from Prince Charles.

But it has been the memory of her complaints of ill treatment by the royal family that has dominated the feelings of the tens of thousands of mourners who have been lining up to sign condolence books and burying in floral tributes the various sites associated with her.

Anger at the family, its treatment of Diana and its aloofness from the astonishing wave of sorrow that has en-

See QUEEN, Page 12

### A Diamond for Diana?

A Paris jeweler refused to comment on a press report that he had sold a \$200,000 diamond ring to Dodi al Fayed on the day of his last dinner with Diana. Page 12.

## Major Political Prisoner Is Released by Vietnam

By Keith B. Richburg  
Washington Post Service

HANOI — Vietnam on Thursday freed one of its longest-serving and most prominent political prisoners, Pham Duc Kham.

Human-rights groups and diplomats said they hoped the release might mark the beginning of a new effort by the government to resolve some lingering rights cases.

Mr. Kham, 65, had been imprisoned since 1990 as part of a small, loose circle of southern intellectuals and others who circulated a clandestine pro-democracy newsletter called Freedom Forum.

He had served seven years of a 12-year sentence for plotting to overthrow the government when he was released Thursday afternoon after two weeks of secret negotiations involving family members and eventually the U.S. Embassy here.

It agreed to give Mr. Kham a visa, invoking a rarely used U.S. law to grant the emergency visa as a "public benefit."

He was scheduled to leave Vietnam to join his wife and children in San Francisco this weekend. He said he hoped to return to Vietnam and would decide later whether to resume his pro-democracy advocacy.

"I had hoped for this day for a long time," he said in an interview at the small Hanoi hotel where he was staying with a nephew.

Mr. Kham was recently brought to Hanoi from Vietnam's notorious Camp 5 prison in Thanh Hoa Province, 240 kilometers (150 miles) south of Hanoi, and the government invited a Washington Post reporter to be on hand for the release.

"I'm shocked," Mr. Kham said. "I'm in shock still."

He said that his Freedom Forum group never aimed to overthrow the government.

"All we were trying to do was push the process of democratization," he said.

He added that he believed his biggest problem was that he spoke out too early, advocating rapid political change at the onset of the country's experiment with liberalization in 1986.

"I do think that I spoke too early," he said. "The process of opening and democratization — to go into an entirely

new system — needs time." He attributed his release to what he said was a changed environment both in the country and abroad.

This includes a gradual move toward more democratization by Vietnam's Communist Party and the elderly leadership's recognition of the need to adapt to a changing world since Vietnam joined ASEAN, the Southeast Asian club of nations, and entered a new diplomatic relationship with the United States two years ago.

He was released while the Communist Party has entered what some have described as a painful and wrenching debate about the country's political future and the governing party's role in it.

Government leadership changes are expected later this month and could bring more younger members into the ruling circle. Recent elections to the

See VIETNAM, Page 4

## Japanese, Welcome Now, Occupy Dalian Again

By Kevin Sullivan  
Washington Post Service

DALIAN, China — A thousand Chinese women in identical blue tracksuits and hats work the assembly lines at Mabuchi Motors, using Japanese metals, Japanese machines and Japanese technology to make motors for computer components that will be sold mainly in Japan.

Thousands more Chinese laborers work in dozens of other Japanese electronics factories in a modern industrial zone on the outskirts of this booming port city in northeastern China. Working beneath the Japanese flag flying alongside their own, they follow strict workplace rules written in Tokyo. No one speaks, no one smiles, but no one complains, either, because workers earn \$75 a month — about \$25 more than the average wage at local Chinese companies.

Near the waterfront, Chinese locals and Japanese executives and tourists

mix in Dalian's 50 karaoke bars and 30 Japanese restaurants, some of which rival Tokyo's fanciest. People shop at the Furniture Store of Japanese Fashion, soak in Japanese-style bathhouses and golf at expensive country clubs.

The Japanese are back in Dalian, but this time their strength is economic, not military. This time they are welcome.

In the past century, Japan fought two wars with China, and both times the battleground was this northeast corner of China. Largely because of Japan's occupation of this region from 1905 until 1945, Japan and China remain uneasy and, at times, hostile neighbors.

### Hashimoto Soothes China

Prime Minister Ryutaro Hashimoto sought to calm Chinese fears over the U.S.-Japanese security alliance as he met his counterpart, Li Peng, in Beijing. Page 4.

With his arrival Thursday in Beijing, Ryutaro Hashimoto has become the first Japanese prime minister since 1945 to visit northeastern China. During his four-day visit, Mr. Hashimoto will visit a war memorial near Shenyang, then move on to Dalian to see Japan's growing industrial might in a city that was once the regional headquarters for the Japanese Imperial Army.

Anti-Japanese rallies pop up all over China at the slightest provocation, and its leaders remain angry at what they see as Japan's unwillingness to acknowledge or apologize for its past aggression.

See CHINA, Page 4



## Race for 2004 Olympics Comes Down to the Wire

By Ian Thomsen  
International Herald Tribune

LAUSANNE, Switzerland — The outcome of many Olympic races last summer in Atlanta was easier to predict than the election that will take place Friday to name a host city for the 2004 Summer Olympics.

While those races around the running tracks and in the swimming pools of Atlanta paid off occasionally in million-dollar endorsement contracts for champions of the flesh-and-blood Olympics, that competition seems naive and in-

nocent compared with the upcoming vote of 107 largely upper-crust international Olympic Committee voters. The winner of their race will immediately be saddled with expenditures budgeted at close to \$2 billion, with a potential economic payoff for city, region and country reaching into billions of dollars more.

The predicted winner, according to talk among the delegates at Lausanne and the way they have voted in the past, seems to be Rome, which like the other cities began campaigning two years ago to win the 2004 Olympics. The IOC

voters and other experts caution that they have never seen a closer race. Any of the other four finalists — Athens, Cape Town, Stockholm and Buenos Aires — could be the winning name announced from the stage by Juan Antonio Samaranch, the IOC president, as he tears open the envelope in the early evening Friday, Academy Awards style.

So important are the Olympics that Presidents Nelson Mandela of South Africa and Carlos Menem of Argentina have come halfway across the world to the IOC's home base of Lausanne to

address the voters hours before the ballots are cast. Luciano Pavarotti will be one of the speakers on behalf of the Roman bid.

"I have told Pavarotti not to say anything, just to sing," said Primo Nebiolo, a controversial IOC delegate from Italy who is also president of the international federation overseeing track and field and has campaigned vigorously for Rome.

He has turned off some voters while winning over others.

See GAMES, Page 20

### AGENDA

#### Explosions Rock 3 Havana Hotels

MEXICO CITY (AP) — Explosions shook three tourist hotels in Havana on Thursday, and the Italian government said an Italian resident of Canada was killed. The blasts, at the Copacabana, Chateau and Triton hotels, appeared to be part of a campaign by dissidents aimed at Cuba's increasingly important tourist industry.

#### Governor Resigns

Governor Fife Symington of Arizona was forced to resign and faces the prospect of prison after a federal jury found him guilty on seven felony counts of defrauding his lenders as a commercial real estate developer. Page 3.

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A Republican Raps Republicans

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The IHT on-line www.ihtr.com

#### The Dollar

New York Thursday 4 P.M. previous close

DM 1.8157 1.8185

Pound 1.5832 1.586

Yen 120.85 120.635

FF 6.108 6.1206

#### The Dow

Thursday close previous close

-27.4 7887.24 7894.64

S&P 500

change Thursday 4 P.M. previous close

+3.00 930.85 927.85

Newsstand Prices		
Andorra	10.00 FF	Lebanon...11,300
Antilles	12.50 FF	Morocco...16 Dh
Cameroon	1,600 CFA	Qatar...10,00 QR
Egypt	EE 5.50	Rainbow...12.50 FF
France	10.00 FF	Saudi Arabia...10 SR
Gabon	1,100 CFA	Senegal...1,100 CFA
Italy	2,800 Lire	Spain...225 Ptas
Ivory Coast	1,250 CFA	Tunisia...1,250 Dn
Jordan	1,250 JD	U.A.E...10.00 Dh
Kuwait	700 Fils	U.S. Mtl. (Eur)...\$1.20



## Unrest in the Golan / Village Protests Arrest of Student

## Espionage Case Revives Druze Bitterness

By Douglas Jehl  
New York Times Service

**MAJDAL SHAMS, Golan Heights** — At the entrance to this mountain village, charred tires speak of an anger that is welling once again among the Druze in their Israeli-held lands.

Most of the 18,000 Druze in the Golan live here, just a short way from Syria, to which they are bound by history and blood. But since Israel captured the heights in the 1967 war, it has permitted only a few to venture back across the border, and now one of the most admired among them, a 32-year-old woman, has been taken away by Israeli plainclothesmen and accused of being a Syrian spy.

The arrest may have been merely the latest in what many Druze say amounts to three decades of Israeli indignities. But in the apple orchards that spill down the Golan's rocky slopes, and particularly in the homes whose residents had begun to dare to display the Syrian flag, what happened to the woman, Ilham Abu Saleh, is seen as a warning sign.

"This is directed at all of us," said Kalim Abu Saleh, 27, who shared an apartment with his sister in Damascus and says he is certain of her innocence. At his home in Majdal Shams, where a photograph of President Hafez Assad of Syria hangs in the living room, Mr. Abu Saleh said angrily, "I think that the Israelis are trying to force all of us to think twice."

The young woman's relatives are by no means the only ones who have turned belligerent. After she was taken from her family home in the early hours of Aug. 24, residents built barricades to keep the Israeli authorities away and staged a raucous daylong protest that served as a reminder that discontent with Israeli rule extends beyond the usual focal points of the West Bank and Gaza.

"I'm a Syrian, so of course I'm pro-Syrian," said Fouzi Abu Jaber, who was born in Majdal Shams 45 years ago, long before Israel captured the Golan. Mr. Abu Jaber spent 10 years in an Israeli jail — convicted, he said with pointed irony, of "spying for the enemy" — and now he is among the leaders of a community group, the Academic Association of the Golan Heights, that has helped to keep that national consciousness alive.

The Druze religion is an offshoot of Islam, and the world's 1.5 million Druze are both Arabs and Muslims. Most have proved fiercely patriotic in their allegiance: The 500,000 Druze in Israel are staunchly anti-Israel, while in the Galilee area of Israel, the 90,000 Druze who live there have taken Israeli citizenship.

And even in the Golan, whose total population of about 34,000 includes some 16,000 Israelis, some have cast their lot with Israel, including Salim Shufi, the Israeli-appointed mayor of Majdal Shams, who is a former officer in the Israeli Army. But most of the Druze have resisted Israeli attempts at assimilation, choosing instead to heed a longstanding sense of loyalty to Syria.

In Majdal Shams, nearly everyone in the village has relatives on the other side of the long border fence, some of them just across a valley where, when the wind is right and lungs are strong, people on either side shout their news back and forth.



Naif Abu Saleh holding a portrait of his daughter, Ilham, who is in Israeli custody on spying charges. On the wall behind the father in his Golan Heights home is a picture of President Hafez Assad of Syria.

Once that was the only means of communication between the Druze in Syria and those who found themselves in territory now called Israel, since Israel formally annexed the Golan 16 years ago. Now there are long-distance calls, at about \$2 a minute.

And periodically, first from 1977 to 1981 and then since 1989, the young and gifted among them have been permitted to make their way northward across the demilitarized zone monitored by the United Nations to Damascus, the Syrian capital.

Ms. Abu Saleh, who joined that group in 1993 after divorcing her husband, took a degree in psychology in June at the University of Damascus, where she was president of the Golan Druze students' association. That made her a respected figure among the 300 or so Golan Druze who now study in Syria each year, and her relatives say she had planned to return to the Syrian capital to begin graduate work in classes.

But since her arrest, none of the students has been permitted back across the border. (On Wednesday, 82 Druze students were permitted to cross into Syria, but only after passing what Israeli officials described as very strict security checks.)

Ms. Abu Saleh has not yet been charged with any crime, but she remains in custody, under investigation for what Israeli officials say may be serious

security offenses. Israeli officials have suggested that she may have had a romantic relationship with Sakib Abu Jebil, a member of the Syrian Parliament, and may have provided the Syrian authorities with information about local residents in Israel's employ.

People in Majdal Shams say this is absurd. Anything that Ms. Abu Saleh knew about internal politics was known to everyone in the village, they say, and Mr. Abu Jebil is her 70-year-old great-uncle.

Syrian officials, including the rector of the University of Damascus, have asked for the United Nations to intervene, calling the arrest part of Israel's "barbaric oppression" of Syrian students from the Golan.

The Israeli annexation of the Golan in 1981 prompted the Druze to stage a seven-month general strike. Forced since then to carry Israeli documents, only about 10 percent have agreed to become Israelis. Papers issued to the others list their citizenship as "undecided."

And after what happened last week, no one in the mayor's office or anyone else in Majdal Shams known to be pro-Israeli would agree to talk with a foreign visitor. They may have been mindful of graffiti that have begun to appear on village walls: a swastika with the slogan "Death to the Collaborators."

Ex-Soviet Spymaster  
Seeks Residency in U.S.By Walter Pincus  
Washington Post Service

**WASHINGTON** — Oleg Kalugin, a legendary former chief of Soviet espionage and counterintelligence who has written about his involvement in the death of a U.S. double agent, is seeking to become a permanent legal resident of the United States.

The attempt by Mr. Kalugin, a retired KGB major general, to obtain a green card was disclosed to The Washington Post by several retired CIA clandestine operatives who oppose his application and are worried that the agency might be assisting him.

"When you consider what he has done as a major figure in the Cold War, recruiting Americans to spy, even bragging about arranging murders, including one of a double agent who was an American citizen, you have got to object," said a former top clandestine official for the Central Intelligence Agency.

But Paul Joyal, a former staff member of the Senate Intelligence Committee who works with Mr. Kalugin in the Washington-based consulting firm Intercon USA Inc., insisted the former officer of the Soviet secret police and intelligence agency "is trying to turn his life around and move forward."

Mr. Joyal said Mr. Kalugin's public revelations about the KGB and opposition to its leaders in the 1990s, his brief service as a member of the Russian Parliament and his 1994 memoir, "The First Directorate," helped contribute to the demise of the Soviet empire.

Mr. Joyal said the opposition to giving Mr. Kalugin a green card was coming from "an unholy alliance" of former CIA and KGB officials "who want to make Kalugin's life miserable everywhere." Mr. Joyal said Mr. Kalugin's current three-year work visa would run out within 18 months and that his life would be endangered if he were forced to return to Russia.

There is no formal mechanism for opposing an application for a green card, according to the Immigration and Naturalization Service spokesman, Russ Bergeron, who said that when the agency considers applications, "we do not invite public comment as part of the decision-making process."

Since he left Russia in 1994, Mr. Kalugin has taught at Catholic University, made speeches around the United States, joined the former CIA director, William Colby, to create a spy game and worked at Intercon as a consultant on Russian business ventures with clients that include AT&T Corp.

Mr. Joyal said Mr. Kalugin did not plan to become a U.S. citizen and "is not a defector and is not going to be one."

He denied that Mr. Kalugin was talking about his past to the CIA. "He is not going to give up people who put their

trust in his hands," Mr. Joyal said. CIA officials refused to comment on whether the agency was helping Mr. Kalugin obtain a green card. In addition, the CIA spokesman Mark Maasfield said the agency's policy was not to discuss whether it had a relationship with any individual.

It is not known whether Mr. Kalugin is cooperating with U.S. intelligence. One former top clandestine official said he had provided information "but it is not new, and not worth keeping him here."

New Round  
Of Slaughter  
Hits Algeria

The Associated Press

**ALGIERS** — In the latest massacre in Algeria, an armed group descended on a northern village, slitting the throats and burning the bodies of 22 people, residents said Thursday.

The attackers entered El Arbi, a village 100 kilometers (60 miles) south of Algiers, early Wednesday, the witnesses said.

In the capital Algiers, five people were killed Thursday and 20 were wounded when a bomb hidden in a basket exploded in a residential quarter, rescue officials said.

No one claimed responsibility for either the massacre or the bombing. Algeria has been wracked since 1992 by an insurgency by Muslim extremists who are seeking to oust the military-backed government. More than 60,000 people have died in violence.

The bloodshed has increased in the last few months: Up to 300 people were killed in an attack last Friday, and there were more massacres over the weekend.

In another attack, two regional leaders of the Armed Islamic Group, the most violent of the anti-government groups, were killed Tuesday by government security forces, according to the *La Tribune* daily.

Last week, Abassi Madani, the former leader of the banned Islamic Salvation Front who is now under house arrest, asked the UN secretary-general, Kofi Annan, to have the United Nations mediate in Algeria. But President Liamine Zerkou rejected the idea. He told Mr. Annan that his government's efforts to resolve Algeria's political problems had wide public support, state-run media reported.

'Black Box' Stolen From Site  
Of Phnom Penh Air Crash

Compiled by Our Staff From Dispatches

**PHNOM PENH** — Looters have made off with a "black box" flight recorder from the wreckage of a Vietnamese plane that crashed in Cambodia, killing at least 64 people, an aviation official said Thursday.

Preliminary findings, however, showed that the pilot was off course when the Vietnam Airlines Tupolev Tu-134 made its approach at Phnom Penh airport Wednesday, but he was too low to regain altitude and correct his flight path, the official said.

Sok Sambour, deputy director general of Cambodia's airport authority, said that one of the plane's flight recorders had been recovered but that the second had been stolen when looters descended on the crash site.

He said he did not know if it was the flight data recorder or flight deck voice recorder that had been stolen.

People were seen rifling the pockets of victims, rummaging through the wreckage and carrying off broken pieces of the aircraft.

"We have to let people know by TV and radio there's nothing valuable in-

side and we need it to further investigate the accident and we will give a reward," he said.

He said preliminary findings were that the pilot was off course when he began his approach to land after flying from Ho Chi Minh City in southern Vietnam.

Doctors in Phnom Penh, meanwhile, said a 4-year-old boy being treated in a Phnom Penh hospital for serious head injuries could be a second survivor from the crash.

The airline originally said that 66 people — 60 passengers listed on the manifest and six crew — had been on board the plane.

The name of the sole confirmed survivor — an 18-month-old Thai boy apparently accompanied by his mother, who died in the crash — was not listed on the manifest.

But doctors at Kanta Bopha children's hospital said Thursday that they were treating a 4-year-old Vietnamese boy for serious head injuries and broken ribs. The boy was believed to have been listed on the manifest as a child passenger. (Reuters, AFP)

## TRAVEL UPDATE

## Close Call Over India

**NEW DELHI (AFP)** — An Indian Alliance Air Boeing 737 carrying 100 people had a close call with a military jet near New Delhi on Thursday, the United News of India reported.

Disaster was averted when the Indian Air Force pilot swerved after sighting the 737 approaching from the opposite direction at an altitude of 29,000 feet (9,660 meters), the agency said. There have been some 20 near collisions in Indian skies since November.

## Hungary Tourist Plan

**BUDAPEST (Reuters)** — Hungary hopes to increase its revenues from tourism by 10 percent this year and by 60 to 70 percent in the longer term, a government spokesman said Thursday.

Elemer Kiss said that the government had approved a tourism development program to raise revenues from \$2.2 billion in 1996.

The police evacuated more than 120 French tourists from the Nile cruise ship Alexander the Great on Thursday after it collided with a barge, a police spokesman said. (AP)

British Airways said Thursday that it would add the airline Portugal to its frequent-flyer program. (Bloomberg)

Peru will open bidding next year for a private concession to expand and operate Lima's international airport, the country's largest, according to President Alberto Fujimori. (Bloomberg)

## Comoros Says It Recaptured Rebel Island

**MORONI, Comoros** — The Comoros government claimed Thursday that its forces had recaptured all strategic points on the secessionist Nzwani Island, including its main town, Mutsumudu.

Nzwani is also known as Anjouan. The Comorian forces have captured the strategic points of Anjouan and the regional capital Mutsumudu as well as the symbols of the state including the presidential residence, said a statement issued by President Mohammed Taki's office.

There was no independent confirmation of the claim after witnesses earlier reported heavy fighting.

Government forces met fierce resistance when fighting started early Thursday morning at Mutsumudu, three kilometers east of Mutsumudu, and spread into the town itself, according to witnesses contacted by radio.

The island frigate, one of two ships requisitioned for the invasion, was hit in the assault, witnesses said. Mr. Taki's government assaulted Nzwani Island early Wednesday to crush a secessionist revolt. The troops

attacked Domoni town and the airport at Ouani, seven kilometers east of Mutsumudu, before moving toward the capital, witnesses said.

In a separate statement, the Comoros Foreign Ministry said the operation had been carried out "without bloodshed." But two wounded government soldiers were brought back by air to the main Nzwani Island, also known as Grande-Comore, on Thursday morning, witnesses at the airport said. A senior official in contact with Nzwani earlier reported many were wounded and some killed in the fighting.

## WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Europe	Today	Low	High	Tomorrow	Low	High
Algeria	20/24	18/24	24/25	19/24	18/24	24/25
Amsterdam	18/24	14/24	17/22	10/20	9/20	16/22
Ankara	22/24	21/24	22/21	24/24	24/24	24/24
Antwerp	20/24	14/24	17/22	10/20	9/20	16/22
Batavia	20/24	14/24	17/22	10/20	9/20	16/22
Bombay	20/24	14/24	17/22	10/20	9/20	16/22
Buenos Aires	20/24	14/24	17/22	10/20	9/20	16/22
Buenos Aires	20/24	14/24	17/22	10/20	9/20	16/22
Buenos Aires	20/24	14/24	17/22	10/20	9/20	16/22
Buenos Aires	20/24	14/24	17/22	10/20	9/20	16/22

North America	Today	Low	High	Tomorrow	Low	High
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25

Asia	Today	Low	High	Tomorrow	Low	High
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
Alaska	20/24	18/24	24/25	19/24	18/24	24/25
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THE AMERICAS

# A Republican's Quest: Plain Talk for the People (It Gets Votes)

By Ceci Connolly  
Washington Post Service

WASHINGTON — The problem for Republicans, says one who should know, is that they don't know how to talk to real people — women, for example.

So Frank Luntz, one of the primary drafters of the Republican Party's "Contract With America," is offering to teach Republican politicians a new language to win back disenchanted voters.

"You have suffered through communication disaster after communication disaster, and nothing ever seems to change," he writes to Republican lawmakers. "Linguistically, you are out of touch with the American people. They really think Bill Clinton feels their pain, and they really think you feel nothing."

Mr. Luntz personally distributed his 222-page plan to Republican lawmakers as they went home last month. A copy was obtained by The Washington Post.

From basic tips for writing a cogent letter to a complex formula for wooing minority voters,

"The Language of the 21st Century" is a how-to marketing strategy for politicians who do not know what to say or how to say it.

The key, Mr. Luntz writes in breathtaking detail, is to be more friendly, talk in seven-second sound bites, attack Washington bureaucrats, toss conservatives a bone by abolishing the National Endowment for the Arts and "stop calling the House speaker, Newt Gingrich, by his first name because it shows a lack of respect."

Unlike the 1994 Contract With America, which listed 10 legislative commitments, the latest document was not requested by Republican officials or paid for by campaign committees.

Mr. Luntz, 35, introduces his opus as "the most serious effort ever made by either party to put together an effective, comprehensive national communication strategy." He simplifies even the most complex issues such as the gender gap and entitlement reform. Republicans do not need public policy proposals, he says, they just need to communicate better.

"Just ask Bill Clinton," Mr. Luntz says. "He is a man of many opinions, most of them of short

duration, but the mediocrity of his thinking has been concealed by the majesty of his language."

On Social Security, he advises: "You don't need the specific solution — yet. You just have to keep asking: Do you trust Social Security, or is it manage YOUR Social Security fund, or is it possible that someone else can do a better job?"

Ever since President Clinton's re-election last year, coupled with Republican losses in the House, Republicans have been groping for a strategy and a message to regain lost ground. But Mr. Luntz notes that Mr. Clinton and the Democrats continue to win the public relations war on women's issues, education and the environment, to name a few, and predicts the Republican majority will be lost if the party does not begin attracting more minority voters.

The key to electoral success in large states such as California, Texas, Florida and New York is the Hispanic vote, he says. "Supporting issues that will have a positive impact on Puerto Rico will be appreciated by all Hispanics, not just Puerto Ricans."

He devotes 13 pages to the gender gap, stressing that Republicans must empathize with overworked women, especially so-called soccer moms who, in his words, "bring home the bacon and fry it up in a pan."

With Mr. Clinton talking about education almost daily, Mr. Luntz acknowledges what other Republicans only whisper: "Democrats are winning the education debate hands down." To get back in the debate, he recommends Republicans make four key phrases their education mantra: safe, parental involvement, child-centered and equality. "Sentences that work particularly well," he continues, include: "All children deserve a chance at a quality education."

A controversial image man who frequently targets his own party for his sharpest critiques, Mr. Luntz drew Republican ire for advising Ross Perot on his independent presidential candidacy in 1992.

One year after Republicans won control of the House, Mr. Luntz acknowledged he did not conduct detailed polling on the Contract With America, an admission that eventually earned him a

formal sanction by an association of pollsters. Still, his many fans on Capitol Hill say it would be wrong to underestimate his knack for tapping into the American psyche with catchy phrases.

"You shouldn't mix the message with the messenger," said Representative W.J. Tauzin, Republican of Louisiana. "My impression of him is solid; he's got great instincts."

For the willing lawmaker, Mr. Luntz's blueprint offers months' worth of tips from sample speeches, to hot-button phrases to a script for "Going after the president: a two-minute strike."

If a Republican is at a loss for what to say about the American family, he or she can simply flip to Page 145 for six communication suggestions complete with "language that works." Among the effective words: values, morality, spirituality and faith in God.

For the politician who is not up to speed on the twists and turns of energy deregulation, he offers seven simple principles including: "Deregulation should lead to lower prices for all consumers."

## Governor Is Forced to Resign

Arizona Republican Convicted on 7 Felony Counts

By Todd S. Purdum  
New York Times Service

PHOENIX, Arizona — A federal jury convicted Governor Fife Symington of Arizona on seven felony counts of defrauding his lenders as a commercial real estate developer, forcing his resignation from office and leaving him facing the prospect of prison and hundreds of thousands of dollars in fines.

"I have never been one to linger, and I don't intend to start now," a solemn but composed Mr. Symington told supporters in a farewell announcement at the State Capitol about 90 minutes after the verdict Wednesday.

"My lot is to offer best wishes and full support to say thank you and move on."

The jury was deadlocked on 11 of the 21 counts over all, and it acquitted Mr. Sym-

ington on three of the charges. But, under state law, Mr. Symington, a Republican, had to leave office if convicted on even a single felony count.

Mr. Symington's lawyer said the 52-year-old governor's resignation would take effect at 5 P.M. on Friday. Since the state has no lieutenant governor, Jane Dee Hull, the secretary of state and a fellow Republican, will serve as governor until the regular statewide election next year.

After a 17-week trial that involved more than 1,400 pieces of evidence assembled in a five-year investigation, the jury convicted Mr. Symington, who took office in 1991 and was once a rising star in national Republican circles, of filing false financial statements in an effort to shore up his crumbling real estate business in the late

1980s and early '90s. Of the three counts on which Mr. Symington was acquitted, one of the most serious was that he used his power as governor to threaten to steer state tenants away from a troubled center-city development if the union pension fund that financed it listed him in default.

Judge Roger Strand of the U.S. District Court here declared a mistrial on the 11 deadlocked counts, and prosecutors said they would consider whether to seek a new trial on those counts.

In all, Mr. Symington faced 21 counts accusing him of lying to lenders about his true financial condition, of extorting the pension fund and of perjuring himself in a bankruptcy hearing.

Mr. Symington was released on his own recognizance, with the only requirement that he check in with the chief defense lawyer, John Dowd, once a week. The judge set sentencing for Nov. 10.

It was the second time in a decade that an Arizona governor faced felony charges. Another Republican, Evan Mecham, was eventually acquitted of accepting illegal campaign contributions, but not before being impeached in 1988.

Mr. Symington was the third governor in the 1990s to be forced from office because of a conviction.

Last year Governor Jim Tucker of Arkansas, a Democrat, resigned after his conviction on fraud and conspiracy charges in Whitewater-related business dealings.

In 1993, Governor Guy Hunt of Alabama, a Republican, was convicted and forced from office for looting his 1987 inaugural fund.



The Reverend Henry Lyons and his wife, center, entering a news conference in Denver after he was reaffirmed as leader of the largest U.S. black church.

## Away From Politics

- The embattled president of the nation's largest black church group has survived a determined effort to remove him, as thousands of members supported emotional appeals to forgive him for his admitted mistakes in handling the denomination's money. The failed attempt to remove Henry Lyons was led by a coalition of ministers who denounced previous votes by the National Baptist Convention USA Inc. to retain Mr. Lyons, saying they had been cynically engineered by Mr. Lyons and did not reflect the true wishes of the convention. (WP)

- Severe thunderstorms unleashed 12-foot (four-meter) walls of water that washed cars off roads in Kern County in the Southern California desert, stranding dozens of motorists in the heavy downpour. (AP)

- The launching of the \$3.4 billion Cassini spacecraft to explore Saturn will probably be delayed next month as a result of damage caused by a ground cooling-system malfunction, space agency officials said. (NYT)

- Arizona authorities have arrested two fugitive bounty hunters who allegedly broke into the wrong house in Phoenix in pursuit of a bail jumper and shot and killed a young couple. (Reuters)

- The owner of one of the world's most prominent art galleries, Wildenstein & Co., was charged with menacing after police said he pulled a gun on his estranged wife, Alec Wildenstein, 57, was arraigned after allegedly threatening his wife Jocelyne, 52, her two bodyguards, and a former employee with a 9mm pistol shortly after midnight, when they showed up at his New York townhouse. (AP)

## AMERICAN TOPICS

### Tourists Don't Make Town's Day

There's a new set of villains in Carmel, California, the town once ruled by the movie tough guy Clint Eastwood. They clog pine-shaded sidewalks, traipse through elegant courtyards and leer over fences. They are tourists who pay for group walking tours. And now they are outlaws in Carmel. Those tours have been banned.

The ban isn't the first in the town south of San Francisco, known for its tiny English-style inns, chic boutiques and ocean views. For years, Carmel has had no neon lights or visible street addresses. Women require permits to wear high-heeled shoes, though this is seldom enforced. May or Kenneth White and others tried to ban drizzly ice cream cones. But with the walking-tour ban, some say Carmel is going too far.

Many admit there is a problem. Carmel has 4,700 residents. But in summer, up to 20,000 tourists flood into town every day. "There are principles at stake," Mayor White said. But Gale

Wrausmann, who runs the only licensed walking tour in town, blames the ban on "a small group of people who want to keep Carmel available only to a select few."

Other Carmelites support her. One local councilman has called the ban "almost un-American." And Dick Hardin, owner of the Carmel Pipe Shop, said that tourists, who account for more than half the city's budget of \$9 million, deserve respect. "When someone comes to town, you'd better treat them as your guest," he said from his shop, packed with tourists. "You treat them very, very nice."

### Short Takes

In recent years, Indian powwows have been spreading across the country as tribes take new pride in their heritage and seek new funding sources. These festivals, which combine traditional dances and religious rituals with some times cold commercialism — fried buffalo burgers and "I Love Powwows" bumper stickers — are on offer — now number an estimated 2,000 a year across the United States and Canada, apparently far more than even a few years ago, reports The New York Times.

Southern California appears to be having a second straight record clean-air year — which

turns out to be bad news for scientists taking part in a long-planned \$6 million study on ways to reduce smog. The team of more than 300 scientists, which had been poised to send up hundreds of weather balloons and sophisticated planes at summer's end, when the region's polluted air traditionally is at its worst, instead has been marking time. Cool winds spawned by the El Nino ocean current have helped keep smog at bay. The last such study, in 1987, also coincided with a clean-air year, prompting one scientist to note wryly, "Seems the best way to clean up the air is to have a field study."

Call him Stan Kann, the Hoover man: A Los Angeles resident, Mr. Kann has what surely must be the world's largest privately owned collection of vacuum cleaners — how much competition can there be? In love with the machines since his youth, the 60-ish Mr. Kann now owns 125 of them. They start with a Eureka from 1909, the year vacuums were introduced commercially as part of a home-appliance revolution that eased housewives' burden. Mr. Kann can distinguish the whine of a 1937 Electrolux canister vac from that of a 1933 Hoover Silver Jubilee. The collection has its utility, too: Mr. Kann uses all his machines to keep his house spotless.

Brian Knowlton

## POLITICAL NOTES

### Impatience Over Tobacco Deal

WASHINGTON — Congressional leaders say they have no plans to act quickly on the proposed tobacco settlement even though advocates for the proposal warned that a delay could kill the deal.

In interviews and in testimony before a Senate committee, negotiators of the \$368 billion tobacco accord predicted Wednesday that the proposed settlement would unravel unless it was enacted this year, which congressional leaders said would not happen. The outcome of a number of pending court cases and the vagaries of the legislative process could drive participants to abandon the carefully wrought compromise unless Congress moves swiftly, they said.

"Time is running out," warned Michael Moore, the attorney general of Mississippi, who was a chief negotiator in the tobacco talks. "It'll be another 40 years before we have this opportunity again." (NYT)

### Net Site on Benefits to Resume

WASHINGTON — Wrestling with one of the largest test cases of how to protect the privacy of electronic information, the Clinton administration will soon reestablish an Internet site where people can see how much they are entitled to receive in future Social Security benefits, federal officials said. But the government will impose new safeguards to enhance personal privacy.

Federal officials solicited advice from banks, credit card companies and other businesses as they struggled to balance the convenience of electronic transactions with the need to maintain the privacy of sensitive personal and financial information.

In a report issued at a news conference Thursday, the Social Security Administration said it would offer its new Internet service by the end of this year. It initially launched the service in March but closed it down four weeks later over concerns that the information could be obtained and misused by former spouses, employers, coworkers and banks. (NYT)

### Quote/Unquote

Senator Tom Harkin, Democrat of Iowa, after the Senate reversed a decision made before the vacation and overwhelmingly approved the Clinton administration's request for \$34 million to crack down on cigarette sales to teenagers: "Thank God for the August break. There's a reason why we send these folks back home." (WP)

By Richard L. Berke  
New York Times Service

WASHINGTON — As the Senate campaign finance hearings turn toward Vice President Al Gore, his fund-raising activities are coming under broader scrutiny and the Justice Department announced that it would begin a preliminary examination into his telephone solicitations.

The Justice Department inquiry is an initial step to review allegations that some donations solicited by Mr. Gore were improperly deposited into Democratic accounts.

In the past, several campaign finance accusations have been subjected to the same review and, in each case, the Justice Department has

found that those accusations did not merit an investigation by an independent counsel.

But if any accusations were found to be credible, the findings could increase Republican demands for an independent counsel to investigate campaign fund-raising during last year's presidential election.

The White House has mounted a defense of Mr. Gore, anticipating the resumption of campaign finance hearings Thursday.

The Senate Governmental Affairs Committee began by calling its most colorful witnesses to date, three Buddhist nuns with shaved heads and long saffron robes. They were summoned to explain how they helped launder money to

the Democratic National Committee.

[The nuns told senators Thursday that they did not intend to break the law when they accepted reimbursement for political donations that they made at an event last year attended by the vice president. The Associated Press reported.]

[The nuns admitted in a statement that members of the Hsi Lai Temple were reimbursed for their \$5,000 contributions to the Democratic Party.]

[The statement said that if any law was violated, "it was not done so intentionally" and that the funds did not come from abroad.]

[The nuns said that "what Americans call reimburse-

ments is simply the way by which the Temple helps its monastics to meet living expenses or to perform good deeds."]

Republicans on the committee said they hoped the hearings, which resumed after a monthlong break, would dramatize that Mr. Gore has not been entirely truthful about his participation at a Buddhist temple in Hacienda Heights, California, in April 1996.

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In later sessions, the committee intends to examine the vice president's practice of making fund-raising solicitations on the phone from his office in the White House.

The fresh disclosure about

Mr. Gore's fund-raising calls involves some donations that were funneled into a Democratic Party bank account subject to federal election law, which limits the size of contributions.

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## ASIA/PACIFIC

# Hashimoto Calms China Over Fears on U.S. Pact

Compiled by Our Staff From Dispatches

BEIJING — Prime Minister Ryutaro Hashimoto of Japan assured his Chinese counterpart, Li Peng, on Thursday that revisions to a U.S.-Japan security alliance were not aimed at China.

But Mr. Li told his Japanese visitor that including Taiwan in the scope of U.S.-Japan security operations was "unacceptable" to China, which intends to settle the issue of reunification with the island without external interference.

"The talks were very serious," a senior Japanese Foreign Ministry official said. "But the atmosphere was quite good."

Mr. Hashimoto met Mr. Li in Beijing's Great Hall of the People on the first day of a four-day trip that the Japanese prime minister wants to use to rebuild a relationship scarred by past conflict and clouded by fears of future rivalry.

Chinese anxieties about the revision of the 1978 guidelines on U.S.-Japan security cooperation, as well as expanded defense cooperation between Beijing and Tokyo, dominated the talks. The visit is scheduled to mark 25 years of Chinese-Japan diplomatic ties.

Mr. Hashimoto assured his host that the revision in the defense guidelines would not result in a major change in Japan's security role — bound by the constraints of Japan's war-renouncing constitution.

"The U.S.-Japan security alliance is not directed at a specific country," the

official quoted Mr. Hashimoto as saying.

He said the treaty was designed to deal with defined threats to Japan's security, rather than a defined geographic region.

Beijing is concerned about Japan's security alliance with the United States and has loudly expressed anger at recent remarks by Tokyo officials that new alliance guidelines to be unveiled later this month would cover crises near Taiwan.

Members of Mr. Hashimoto's conservative government said last month that the security treaty with Washington might oblige Tokyo to get involved in a conflict between China and Taiwan, touching a raw nerve. China insists that recovery of the island is an internal issue.

China's state-controlled media kept up its attacks on Japan's agreement to aid the United States in regional conflicts. The English-language China Daily called the pact a product of Cold War thinking aimed at containing China.

China has considered Taiwan, a former Japanese colony, a rebel province since defeated Nationalist forces fled there at the end of the Chinese civil war in 1949.

Beijing threatens to attack Taipei if it declares formal independence and denounces foreign concerns about the prosperous, democratic island's fate as meddling in China's internal affairs.

(Reuters, AP)



Prime Minister Hashimoto bowing next to Prime Minister Li during a welcoming ceremony Thursday. Mr. Hashimoto is in China for four days.

## CHINA: Japanese Invest Big in a Port City

Continued from Page 1

But things are different in Dalian. The Japanese government sees Dalian as a model for Japan-China relations in the 21st century, a place where Chinese set aside historical animosities to concentrate on future economic partnership.

"I hate the Japanese for what they did," said Sun Guosong, 20, "but I admire the quality of their goods."

He is studying the Japanese language at a local university and says most people in Dalian think relations with Japan are in their interest.

"Today we must think of economic development," he said.

By visiting Dalian and Shenyang, Mr. Hashimoto is making a political statement that Japan wants to improve relations with China. Tokyo is nervous about the giant growing to its west, and it is trying to court better relations with Beijing without harming ties to Washington.

Mr. Hashimoto intends to use the trip to make amends for the past and to back up his words with pledges to remove more than 2 million poison-gas shells left behind by Japan after World War II.

The prime minister is using his trip to "make an appeal for a new era, one beyond war memories," said Kuniko Inoguchi, an Asian-Pacific affairs specialist at Sophia University in Tokyo, adding, "It is no coincidence that he is picking the place where the Japanese have most heavily invested in China."

More than 1,500 Japanese-Chinese joint venture companies have opened in Dalian, mainly in the past decade, and there are 4,000 Japanese among the city's 5 million residents.

In all, Japanese companies have pumped more than \$2 billion into Dalian.

an. Japanese airlines have regular direct flights here, and announcements in the airport are in Chinese and Japanese. The city is filled with new skyscrapers and hotels built with Japanese money.

The wealth here is exploding almost overnight, rising on the strength of Chinese labor and millions of dollars in foreign investment, largely from such Japanese corporate giants as Matsushita, Toshiba, Canon and TDK.

The government of Japan has pumped in more than \$60 million in foreign aid loans and grants to develop Dalian. Takashi Hoshino, an economist with the Long Term Credit Bank Research Institute in Tokyo, said the aid might have begun as a way of making up for Japan's past actions. But now, he said, it is flowing as Japanese companies in Dalian pressure Tokyo to protect their investments.

Japanese in China must take "special precautions to not be seen as being exploitative, or of making Chinese too dependent," Miss Inoguchi said, or "anything that would be seen as a new type of aggression in disguise."

Many elderly Chinese like Guo Yongjiang remember that when they were young, the Japanese segregated schools, housing and children's parks, jailed anyone who spoke out against them and made it illegal for Chinese to eat rice, keeping that precious staple for themselves.

The 72-year-old said many people in Dalian have separated the horrible actions of the Japanese Imperial Army from those of ordinary Japanese. And many have formed friendships with Japanese that have lasted decades.

"We don't pursue the bad feelings from the past," Guo Yongjiang said. "We build on the friendships we made, and we move on from there."

## Correspondent Sentenced In Malaysia Over Article Canadian Guilty of 'Attacks' on Judiciary

Compiled by Our Staff From Dispatches

KUALA LUMPUR — A Malaysian court Thursday sentenced a Canadian correspondent for the Far Eastern Economic Review to three months in prison for contempt of court over an article that attacked Malaysian judges.

The correspondent, Murray Hiebert,

47, of Steinbach, Manitoba, was ordered to remain in police custody until an additional \$54,000 in bail was posted. He was then freed pending an appeal.

Since his conviction May 30, Mr. Hiebert had been free on \$40,000 bail. But he had to request the return of his passport from the authorities each time he traveled out of the country.

The case concerned an article he wrote for the magazine about a student who was dropped from his school debating team.

Chandra Sri Ram sued the International School of Kuala Lumpur for dropping her 17-year-old son from a team that traveled to Taiwan. That case was settled out of court.

The article, which analyzed the merits of the 6 million ringgit (\$2 million) civil suit, was written while the case was still pending.

Mrs. Chandra then brought the charge of contempt of the Malaysian judiciary against Mr. Hiebert, who mentioned in his Jan. 23 article that her case had moved quickly through the court system and that her husband was a judge.

Mrs. Chandra said there was an obvious conflict of interest for Mr. Hiebert, as his wife was a senior employee of the school. She contended that the article was calculated to excite prejudice against her.

In his decision, Judge Low Hop Bing said the article had without doubt challenged the supremacy of the law, "striking at the core of the administration of justice."

The high court judge said that Mr. Hiebert had in his article repeatedly scandalized the courts and the judiciary by "portraying and publishing lies, threats, wrongfulness and culpability to the parents of the applicant."

Mr. Hiebert, who has worked for the magazine for more than 10 years, had also "tendered no apology at all but a mere qualified expression of regret," the ruling said.

Mr. Hiebert had said in an affidavit, "I wish to express regret to this honorable court if what I have written is incorrect."

In his view, Judge Low said there appeared to be "unabated contemptuous attacks" by and through the media on the judiciary that have passed the limits of reasonable courtesy and good faith.

"It is high time that our judiciary shows its abhorrence to such contemptuous conduct as illustrated by the facts of this case," he said.

Although the original conviction is being appealed, as well as a ruling on admission of evidence, Mr. Hiebert's attorney, Mohammed Shafie Abdullah, had argued for a fine as punishment, saying that was normal in Malaysian contempt cases.

In fact, Mr. Shafie noted, no journalist had ever been convicted of contempt of court in Malaysia. The last case in Britain, on whose legal system Malaysia's is based, occurred in 1949, he said.

"The article, we believe, was a straightforward attempt to present to readers of the Far Eastern Economic Review the facts of one particular lawsuit, in context," Mr. Shafie said.

The Review, published in Hong Kong, reports on business and politics in Asia, and has a circulation of about 14,000 in Malaysia.

(AFP, AP)

## Foreign Press Cancels Talk By Megawati

Compiled by Our Staff From Dispatches

SINGAPORE — A foreign correspondents' association has confirmed that it had canceled a speech by an Indonesian opposition leader at the request of Singapore's government.

The move against the opposition leader, Megawati Sukarnoputri, marked the first time that the Singaporean government has objected to a guest of the Foreign Correspondents Association, said Darren McDermott of the group's executive committee.

The committee voted, 4 to 3, in August to withdraw an invitation to Miss Megawati to speak at an association luncheon, tentatively planned for that month, sources said.

"The committee considered the government's request and the various issues involved, and voted not to hold the lecture as originally planned," the press group said in a statement.

A spokesman for the association said the government had explained that Miss Megawati was a "sensitive issue."

In Jakarta, an aide to Miss Megawati said Thursday that the opposition leader had not been informed of any such cancellation.

"What I know is we have asked the association to reschedule the meeting, originally set for Aug. 7," the aide said.

Miss Megawati could not be reached for comment. She is the daughter of President Sukarno, who lost power in 1966 when the current president, Suharto, instituted a military-dominated government that sharply restricts opposition political activity.

Miss Megawati was removed as the leader of the minority Indonesian Democratic Party in a government-backed maneuver in June 1996. Outrage against her removal triggered the worst riots in Jakarta in more than 20 years.

At a meeting with the journalists' executive committee, a Singapore official was asked "whether there was an implied threat" to their position here as reporters, "and he said, 'No,'" Mr. McDermott said.

"He said he felt the government saw it as a sensitive issue, and while reporters based in Singapore are free to call her or visit her for an interview, her coming here to give a public speech might be seen as problematic," Mr. McDermott added.

An Information Ministry spokesman, Woong Wee Jai, said there would be no comment on why the government asked the correspondents to withdraw their invitation to Miss Megawati. (AP, Reuters)

## Lighthouse in Disputed Isles Downed, Japan Rightists Say

TOKYO — A group of Japanese rightists said Thursday that a homemade lighthouse, which sparked heated debate over ownership of islands claimed by China, Taiwan and Japan, had been mysteriously pulled down.

The revelation coincided with the arrival in China of Prime Minister Ryutaro Hashimoto of Japan for a four-day visit. The disputed islands in the East China Sea will be one of the topics he will discuss with Chinese officials.

Toyoehisa Eto, president of the Japan Youth Federation, said he would send several supporters to the island to determine why the lighthouse was destroyed, and added that his group planned to build a new lighthouse on the island later this month. (Reuters)

## On Tape, Burmese Dissident Says Rulers Fear Opposition

BANGKOK — The Burmese opposition leader, Daw Aung San Suu Kyi, says she is confident that

democracy will come to Burma and that repressive tactics by the military rulers show they are worried about the opposition. She made the comments in a videotaped interview, a copy of which was obtained by Reuters on Thursday.

The Nobel Peace laureate said continued arrests of members of her National League for Democracy party and restrictions placed on her own movements showed the leaders of the ruling State Law and Order Restoration Council feared the party.

The interview was taped at the house of one of her colleagues because the journalist was not allowed through barricades blocking access to the opposition leader's home.

## U.S. Prods Hong Kong On Future of Democracy

HONG KONG — The United States chided Hong Kong on Thursday over its plan to restrict the scope of democracy in the former British colony, which is now part of China.

Richard Boucher, the U.S. consul general in Hong Kong, speaking at a luncheon, predicted that Hong Kong's leader, Tung Chee-hwa, would be questioned about democracy and autonomy from Beijing during

a visit to Washington and New York next week.

At China's bidding, Mr. Tung is reintroducing an old voting system that will dramatically reduce the size of the electorate in next May's legislative elections.

Mr. Boucher said, "We want to see the direction and pace of democratization are maintained. That's why we question how you reconcile returning to earlier methods of voting which reduce the numbers of voters for functional constituencies." (Reuters)

## Businessmen Oppose Effort By Ramos to Change Charter

MANILA — The Philippines' most influential businessmen on Thursday told supporters of President Fidel Ramos to stop trying to tinker with the constitution and to make sure he leaves office next June as scheduled.

In a strongly worded statement, four leading business associations said political uncertainty created by proposals to alter the nation's charter so Mr. Ramos could stay in power was undermining the economy.

The increasingly bitter debate has followed efforts by Mr. Ramos's supporters — and many suspect the president himself — to get changes in place before his term ends next June. (Reuters)

## VIETNAM: Major Political Prisoner Is Released and Granted a Visa to Travel to U.S.

Continued from Page 1

National Assembly, while still tightly controlled by the party, are said to have given the Vietnamese more genuine choice than ever before, with 61 of the 450 assembly delegates elected described as "nonparty members."

Mr. Kham said that the Vietnamese authorities put no conditions on his release and that he made them no promises or guarantees.

He said he would decide later whether he would continue to be active in calling for more democracy here or whether he would step back and let a younger generation take over the push for reform.

"People of my age should step back because the new environment, the new climate, needs new thinking," he said. "I will need some time to reassess."

U.S. officials, including Secretary of State Madeleine Albright, who visited Hanoi in June, have consistently raised human rights cases with the Vietnamese.

Much of the lobbying was focused on Mr. Kham's colleague in the Freedom Forum case, Doan Viet Hoat, who is serving a 15-year sentence in a remote prison near the Laotian border.

Vietnam issued no official statement announcing the release. But last week, when it appeared imminent, officials of the country's powerful Interior Ministry said that Mr. Kham was being freed



Pham Duc Kham, the Vietnamese dissident, speaking in prison last year.

because of "humanitarian reasons."

Answering written questions, the Interior Ministry officials confirmed that the government had placed no conditions on his release and said that he was no

longer considered a threat to the government.

Asked if the release might presage the release of other prisoners, the officials said that each was being reviewed on a

case-by-case basis and that other releases, including Mr. Hoar's, were possible.

U.S. officials and human rights groups estimate that there are 70 well-known political prisoners in Vietnam, but some said the actual number could be much higher.

Dinah PoKempner, deputy general counsel of Human Rights Watch/Asia in New York, said in a statement: "Kham's release is a very welcome and very overdue step. Sadly, he is only one of dozens of well-known persecuted dissidents who have been the object of international concern."

"We fear many more languish in prisons or suffer harassment and curtailment of their liberties."

Mrs. PoKempner said that since the Clinton administration normalized relations with America's wartime enemy, "the climate in Vietnam has not been one of liberalization, but political anxiety tied to more repressive policies."

The new U.S. ambassador here, Pete Peterson, said he thought Washington might have played a role "in a general way" in convincing the Vietnamese that human-right issues do matter and were an impediment to establishing a better relationship with the United States.

Mr. Peterson, in an interview, said he had raised Mr. Kham's case with Vietnamese officials on more than one occasion.

## ASIA: Malaysia Threatens Traders as It Refuses to Join Region in Reassuring Investors

Continued from Page 1

nally indefinite detention without trial.

"If they continue to break the rules and sabotage the economy," Deputy Prime Minister Anwar Ibrahim said when asked if Kuala Lumpur would use the law against local stock market speculators, "of course, we do not preclude that possibility."

"But, what I'm suggesting is that right now as it stands, I'm satisfied there's absolutely no necessity for us to resort to any such measures," he said, adding, "We are being supported by all quarters."

Mr. Anwar, who is also finance minister, said Kuala Lumpur was discussing a collective strategy to fight back against speculators with its partners in the As-

sociation of South East Asian Nations. ASEAN groups Brunei, Burma, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Malaysia's stock market has plunged about 40 percent so far this year while the ringgit has fallen about 20 percent against the dollar since early July, when Thailand triggered a region-wide currency and stock market rout when it was forced to devalue the baht.

Since then, Thailand and Indonesia have introduced reform measures to cut their large current-account deficits and restore investor confidence.

Thailand agreed last month to a package of reforms, including cuts in government spending and tax increases, after negotiations with the International Monetary Fund. In return, it was given a

\$17.2 billion multinational loan.

Indonesia announced Wednesday that it would cut its budget, delay major infrastructure projects, curb luxury imports and increase exports.

Jakarta followed up Thursday by cutting interest rates and abolishing a 49 percent limit on foreign ownership of new shares.

In reaction, the benchmark Jakarta stock index closed up 4.15 percent at 533.87 points — its highest level in a week — while the Indonesian rupiah was relatively stable, with the dollar falling to 3,029 rupiah from 3,037.50.

From record highs in July, the stock index has tumbled more than 30 percent. The rupiah has fallen by a similar amount against the dollar since the start of the year.

Singapore — although not affected to the same degree by currency volatility because of its strong economic fundamentals — has indicated that it will press ahead with financial deregulation and privatization to make its economy even more open and internationally competitive.

The Philippines is expected to reaffirm its commitment to open-market policies when President Fidel Ramos meets Friday with senior officials and business leaders on economic directions.

Analysts said that only Kuala Lumpur had sought to intervene in the stock market and avoid policies that

would restore investor confidence.

"Malaysia is, in a sense, swimming against the current and looking outside its own boundaries for the source of the problem," Dennis de Tray, chief representative of the World Bank in Indonesia, told Reuters. "That's a mistake."

The reforms introduced by the government of President Suharto, he said, "indicated that Indonesia, in contrast, was prepared to look at ways of improving efficiency in its own economy as the principal means of restoring confidence."

Mr. Suharto had shown an understanding of "the need to do some hard things and not fall back on populism or nationalism as an excuse for closing" markets, Mr. de Tray said.

Many analysts are puzzled by Malaysia's recent propensity to blame foreigners for its economic problems because this will frighten investors away just when they are most urgently needed and make it more difficult for the country to fulfill its ambition to become a regional financial hub.

Although Mr. Mahathir has been a frequent critic of the West in the past, his economic policies have been far from xenophobic, welcoming foreign labor, joint ventures, investment and technology as an essential ingredient of the country's rapid growth and modernization.

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# IFA: Advanced Electronics Showcase

## HIGH-TECH: ON SCREEN, ON TAPE, ON THE ROAD

Products on show at the IFA make work and play easier.

The convergence of the electronic media has made possible innumerable new ways of processing, marrying, displaying and broadcasting information, images and sound.

### Do-it yourself multimedia

Many of these trends are on display at IFA (Internationale Funkausstellung), the world's largest trade fair for consumer electronics, held from Aug. 30 to Sept. 7 in Berlin. Among them were the usual array of eye-catching displays, including a hot rod transformed into the world's largest jukebox, along with more serious technologies like DVD (digital versatile disc), which this year will probably become the prime medium for the recording, processing and display of programs.

Says Yoshihiro Maeda, president of Toshiba Europe GmbH: "The new consumer electronic devices are creating the first generation of 'multimedia do-it-yourselfers' — people who will be able to fully express their creativity through the content created or molded with these devices."

### Creating new markets

With sales of \$44 billion in 1996, Toshiba ranks among the world's top 10 producers of electronics. Over the last few decades, Toshiba has established an impressive record of transforming technical innovations — many of them developed by the company's own researchers — into major new market segments. Technologies and facilities developed by Toshiba have become the basis of today's microelec-

tronics production, imaging, and document and information processing sectors.

Toshiba has been serving the European market for 30 years in all its core businesses with manufacturing, marketing and distribution facilities, many of them directed by local executives. Its European manufacturing operations are among the company's star performers in terms of productivity, and they all meet high environmental standards, including the ISO 14001 and EMAS (the European Union's eco-management and audit scheme).

Toshiba is also involved in research and development in Europe. The Toshiba Cambridge Research Centre, for example, is studying the application of quantum physics to semiconductors.

In Europe, Toshiba has a network of 26 subsidiaries, one affiliate and 24 representative offices. They employ 4,200 people, more than one-third of them at Toshiba's four factories and one research facility on the Continent.

At the IFA consumer electronics, communications and entertainment show, Toshiba is presenting a variety of innovative new products, among them televisions and VCRs that may help explain why cocooning is so popular today. They bring a new size and clarity of picture and "sweetness" of sound into their owners' homes — and offices.

### Flicker-free TV

Take the Cinema Vision televisions from Toshiba. They come with 100 Hertz TV screens — guaranteed to be flicker-free —



Toshiba booth at IFA in full flourish.

of between 70 and 82 centimeters in size. The TVs are equipped with six loudspeakers, a Dolby Surround Prologic® system and Dolby Digital Decoder.

Even larger is the Mega Vision family of projection televisions. In fact, they are among the largest of their kind in the world, with screen diagonals of up to 140 centimeters. These TVs maintain their "exceptional quality of image" (HiFi Test) at projection distances of up to 11 meters. And because their projectors are built into the televisions' main bodies, focusing — usually difficult with this type of TV — is quick and easy.

### Picture-perfect

Available in two models, the 48PJ6DG (with diagonals of 120 centimeters) and 55PJ6DG (with diagonals of 140 centimeters), the Mega Vision televisions have a sound quality that matches that of their images. Both models come equipped with a Dolby Surround Prologic® decoder. Two high-performance speakers flank the screen, and two "surround" speakers can be placed anywhere in the viewing area. The Mega Vision TVs come



At the IFA: New creative possibilities are available to the consumer.

equipped with all interfaces required to set up links to video and data communication systems.

Picture-perfect viewing quality is rarely attained by VCRs; the image is often marred by abstract collages of electronic snow, stripes and other disturbances caused by

mechanical and electronic factors. Videotape is prone to acquiring scratches and spots, and any impairment in the transmission of electronic signals results in changes in screen brightness or accuracy of color, or even interruptions in the program itself.

Enter Toshiba's V856 and V827 VCRs. Both are equipped with the Digital Noise Reduction (DNR) system. As its name suggests, this system uses a digitalizing technology to identify and deal with any disturbances in the picture being transmitted.

In addition to a large-sized screen and a high-quality sound system, the VCRs come with a wide range of other useful features, including Toshiba's "long-play" system. Its heart is a microchip capable of ascertaining whether the videotape is long enough to record an entire film — and of taking appropriate measures.

### The DVD revolution

There are two differences between the DVD and earlier technologies. Instead of creating discrete new sectors, as other technologies have done, the DVD systems integrate existing sectors into a single one. And DVD does not render CD-ROMs obsolete — CD-ROMs can be played on a DVD system. The advantages of DVD over conventional methods of playing data and programs are obvious. A single-layered, single-sided DVD-ROM can store up to 4.7 gigabytes of data, and a double-layered, double-sided DVD-ROM can store up to 17 gigabytes of data, seven times the capacity of the most advanced CD-ROMs.

This allows for the playing of multimedia programs of great visual complexity or of a full-length feature film on the disc.

Add in a perfect picture and sound clarity, and it's easy to see why the DVD-ROM is expected to become the prime medium of audio and visual programming over the next five years.

Toshiba holds 80 percent of the patents associated with the DVD technologies and has been the driving force behind its development. The company has brought a DVD-ROM player to the IFA, along with a full range of display materials and working models.

Easy going on road shows Putting together graphics used to be the most difficult part of organizing a road show.

All visual materials and information had to be scanned or keyed into a computer, which then processed them into images, charts and other displays used in the presentation itself. That's all part of the past now, thanks to Toshiba's TLP511 Mediastar data projector. With a resolution of 480,000 pixels, its built-in camera can transmit images of everything from small, three-dimensional objects to large-sized illustrations.

Via docking links, documents stored in laptops and video recorders can also be displayed without any prior preparation.

Two other advantages of the Mediastar TLP511 over other companies' data projectors are its resolution (2.3 million pixels per screen) and picture brightness. Achieved by a 120 Watt UHP (ultra-high-performance) lamp, the brightness is so strong that the image projected by Mediastar can be seen perfectly in normal daylight conditions. ●

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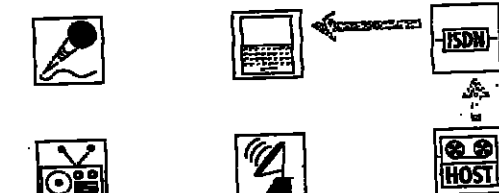
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"Please save your applause for the end of the live broadcast" requests Gerd Pasch, a sound editor from Deutschland Radio, and one of the first to leave the studio behind to start producing solely on location — a feat made technically possible by Toshiba Notebooks. In a typical interview, the voice signals travel from the mic to a specially equipped Toshiba Notebook that sends them via ISDN to the editor's computer. The editor can then download narration, music and anything else



needed for the broadcast. After editing it all on the Notebook, he sends the final product via ISDN to the broadcasting studio, where it is put on the air for the listeners' enjoyment. New digital solutions are opening up a world of unlimited communication options in the public and private sectors. Toshiba continues to invest heavily in technologies like DVD, and has recently developed Mpack™ media processor, a single compact chip that handles all seven multimedia functions, from image compression to video conferencing.

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## EUROPE

# U.S. Troops Withdraw At Bosnian Serb Bridge

## Step to Defuse Tension Before Elections

Compiled by Our Staff From Dispatches

BRCKO, Bosnia-Herzegovina — U.S. troops with the NATO-led peace force withdrew early Thursday from a key bridge in an apparent attempt to defuse tensions that built when the troops entered a Bosnian Serb political dispute a week ago.

International envoys have scrambled in recent days to repair the damage done when U.S. soldiers and armored vehicles moved into this and four other strategic northern towns last week. That drew an angry response from Serbs supporting Radovan Karadzic, a former president and an indicted war criminal.

Diplomats consider it vital to defuse tension if internationally supervised local elections that have cost millions of dollars and months of effort to prepare are to go ahead Sept. 13 and 14.

The United States said Thursday that it was beefing up its air forces in Italy to help the NATO-led troops keep tight control over the municipal elections.

The announcement in Washington that six F-16s in Germany would go to Aviano Air Base in Italy to join 12 based there for flights over Bosnia punctuated NATO warnings that it would not tolerate further mob violence by Bosnian Serb hard-liners against troops in Bosnia.

Withdrawal from the Brcko bridge, the scene of the worst clashes last Thursday, came after the Yugoslav president, Slobodan Milosevic, urged Bosnian Serb leaders in Belgrade on Wednesday to take part in the elections, which they had threatened to boycott.

The top international envoy in Bosnia, Carlos Westendorp, met Mr. Milosevic on Wednesday to pressure him

into making the elections possible. Mr. Karadzic and his camp, conscious of their victory against U.S. troops last week, had threatened to stay away from the elections, charging that the international community had not prepared them well enough.

U.S. troops again confronted angry Serbs this week at a key transmitter that might have been handed over to supporters of the Bosnian Serb president, Biljana Plavsic, who has turned against Mr. Karadzic and has the backing of foreign envoys.

But they backed away from that confrontation, too.

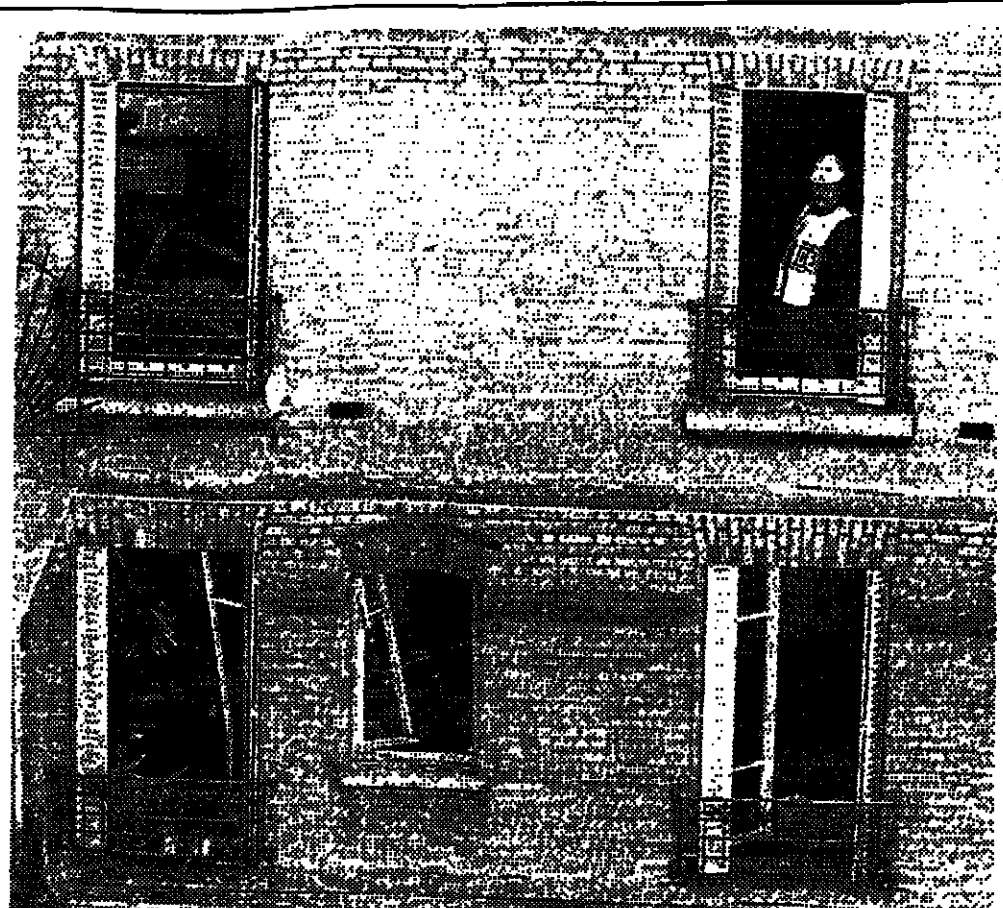
Withdrawal from the Brcko bridge — which was destroyed at the start of the Bosnian war in 1992 and reopened this summer by the U.S. secretary of state, Madeleine Albright — seemed another attempt to step back from direct confrontation with the Serbs.

The bridge is a key traffic link between Bosnia and Croatia across the Sava River and Bosnia's main link with western Europe.

Robert Farrand, a U.S. diplomat who has been appointed administrator of Serb-held Brcko, called the pullout a "normal reduction and redeployment" of peace troops, "which should not spark alarm."

A NATO spokesman, Major John Blakeley, said in Sarajevo that troops were deployed "in more active and rolling patrols" to increase their presence throughout Brcko.

U.S. troops moved into Brcko and four other northern towns last Thursday, saying that they had word that men loyal to Mrs. Plavsic aimed to take over five police stations by force. (AP, Reuters)



A policeman at the window of a Paris apartment building damaged by the blast.

## Paris Gas-Leak Explosion Injures 53

The Associated Press

PARIS — An explosion that investigators think was caused by a gas leak ripped through a six-story Paris apartment building Thursday morning, injuring 53 people, two seriously.

"It is an explosion that has all the characteristics of a gas explosion in an apartment," Police Chief Philippe Massoni said of the blast.

Major Jean-Luc Chivot, spokesman for the fire department, said many of the victims were treated by two medical teams at the scene, mostly for cuts from flying glass. Some of them

were sent on to the hospital. The fire department said a call came at 8:45 A.M. reporting an "explosion followed by a fire" in a building in the French capital's 15th Arrondissement. More than 150 firemen and 40 vehicles were dispatched to the scene.

Major Chivot said six dog teams were conducting a search of the building for more victims.

The fire was quickly extinguished. Laboratory personnel were attempting to determine if gas was the cause of the blast.

## Mir Walk To Refocus Sun Panels

Reuters

KOROLYOV, Russia — Cosmonauts will focus on adjusting the space station Mir's solar panels during a space walk Saturday, mission control said Thursday, because energy problems continue.

Manually twisting the solar panels on the Spektr module "is the number one priority now," said Jerry Miller, NASA's top space walk expert in Russia.

A few days after the space walk, mission control will have to reorient Mir to guarantee a proper thermal balance. Unless the solar panels are readjusted, they will lose substantial power, space experts say.

Commander Anatoli Solovyov and a NASA physicist, Michael Foale, will still devote most of their time to their original space walk focus of looking for holes in Spektr, which was punctured when it collided with a cargo resupply ship June 25.

But by including the solar panel job at the last minute, Russian flight officials have acknowledged the extent of energy problems since the crash.

Solar panels lose their effectiveness over time, and Spektr has the newest set, which make them by far the most important source of energy on Mir. But motors to keep them in place have not worked since the crash.

During work last month, Mr. Solovyov and Pavel Vinogradov, a flight engineer, connected cables from Spektr's solar panels to the mother ship before again sealing off Spektr.

That repair has bolstered overall power on the station from about 60 percent of what it had before the accident to 80 percent, space officials say.

But efforts to use electronic motors to point the solar panels toward the sun have failed.

"The solar batteries must be actively controlled to face the sun," said Igor Braverman, a solar energy expert at Energiya, the rocket company that designed Mir.

"How much energy the batteries generate depend on their orientation toward the sun."

The importance of facing the sun is obvious every 90 minutes, when in a single orbit around the Earth the station passes through up to 36 minutes of darkness. During that time the solar panels produce no energy.

Mr. Braverman estimated that the operation would enable Spektr's panels to gather at least 80 percent of the energy they would get if they were continuously controlled.

This shortcoming, along with one damaged solar panel out of the four on Spektr, means that engineers are already planning more moves to increase power before the space station's expected decommissioning in 1999.

## BRIEFLY

### Swedes to Probe Sterilizations

STOCKHOLM — The Swedish government will investigate a forced sterilization program that lasted 40 years, and possibly pay compensation to its victims. A seven-member committee, appointed Thursday, is expected to complete its investigation by July 1999, the Health Ministry said.

Between 1935 and 1976, more than 60,000 forced sterilizations were performed in Sweden. Many of the victims were judged to have undesirable racial characteristics or to be congenitally handicapped or otherwise "inferior." Adults and children were singled out by officials and were pressured to consent to the procedures.

The announcement gave no explanation of why it may take almost two years for the investigation. (AP)

### 33 Killed in Turkish Bus Crash

ANKARA — Thirty-three persons, including two Spanish tourists, died Thursday when two buses collided in northwest Turkey, the Anatolian News Agency said.

Forty people were injured in the crash on the highway between Ankara and Istanbul, which was closed for several hours. Two other Spanish nationals were badly hurt and hospitalized in Istanbul. (Reuters)

### A Van Gogh Stolen in Antwerp

ANTWERP, Belgium — A Vincent van Gogh painting with an estimated value of more than \$800,000 was stolen from the Royal Museum of Beaux Arts here early Thursday, museum officials said. The 1885 work, "Potato Harvest," is a small painting on paper and wood.

The thieves also took a sketch by a minor 19th century French artist, Adolf Monticelli, and damaged a pastel by Edgar Degas while attempting to take it from its frame.

A museum official said the burglars entered through an unbarred window, setting off an alarm, but they had gone by the time the caretaker arrived. (AFP)

### 2 Russian Regions Sign Pact

MOSCOW — The leaders of North Ossetia and Ingushetia, two feuding Russian regions in the Caucasus, signed a treaty on normalizing relations Thursday. Details of the pact were not immediately made public.

"This is a historic step and a serious victory," said the Russian prime minister, Viktor Chernomyrdin, who presided over the unannounced signing at the Kremlin. "The decision did not come easily, given the accumulated problems. Now we must do everything to implement it."

North Ossetia shares a border with Ingushetia near the rebel republic of Chechnya. The two fought a short but bloody territorial and ethnic war in 1992. Hundreds of people were killed and most ethnic Ingush were expelled from North Ossetia's disputed Prigorodny region. Thousands have since returned.

Tensions have become aggravated in recent months, including some clashes between ethnic Ingush refugees and North Ossetians who objected to their returning to the Prigorodny region. President Boris Yeltsin summoned the feuding leaders to Moscow in early August and pressed them to reach an agreement.

It was not clear whether the treaty deviated from a draft mentioned by Mr. Yeltsin last month — pledging to put all territorial claims on hold for 15 to 20 years. (AP)

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# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Too Much Diana?

Regret over the death of Diana, Princess of Wales, is beginning to mix with more complicated emotions, including wonderment over the celebrity worship that made her such a public obsession, and some misgivings about the overwhelming news coverage of her passing.

The sight of network anchors flying off to the funeral, the coverage on all-news networks that seems to rival that of the Gulf War, and the competition by interviewers and interviewees to claim Diana's friendship do seem to suggest a world gone out of whack.

But the cult of celebrity that put Diana's picture on the cover of People magazine 43 different times is at least as old as the industrial revolution. When people left their small towns and moved to anonymous cities to work, they retained their yearning for the human bonding that comes with gossiping about other people's sins, errors, triumphs and misfortunes.

In 19th century England, the newspapers responded by creating the Professional Beauties — society women who were famous only for being famous, and photographing well.

In America a few decades later, tens of thousands of people showed up for the dedication of a statue in Ohio because the newly married Alice Roosevelt Longworth was scheduled to officiate. While her father, Theodore, was president, Alice Roosevelt was the same sort of celebrity as Diana, although somewhat chillier in temperament.

So were the first ladies Frances Cleveland and, much later, Jacqueline Kennedy. Mrs. Cleveland could never appear in public without fear of rioting among her admirers, and Mrs. Kennedy suffered from the same problems with paparazzi that plagued Diana.

The difference between Diana and those predecessors is technology. People had to seek out Alice Roosevelt

or Frances Cleveland in person to find out how they appeared in the flesh, moved and sounded. At the peak of the craze over Mrs. Kennedy there were only three television networks, no hand-held cameras and no cellular phones and modems that now allow photographers to take and transmit pictures to their agents in seconds.

All this equipment, held by so many photographers and technicians, makes a qualitative change in the way famous people conduct their lives.

President John Quincy Adams took his exercise by swimming naked in the Potomac every morning, and no one disturbed him. Now a presidential candidate trying to meet the voters on a walk down a New Hampshire street is virtually encased in a moving wedge of cameras and microphones, as remote from normal citizens as if he were in an armored car.

The media's quest to present real-life pictures of people in the news actually strips the life away from these events, as it must have deprived Diana of any sense of what normal existence is like.

People are clearly eager to share in expressing sorrow at her sad end, and to be part of the international discussion of her life. But the mind-numbing attention that the media are offering is not solely a response to public demand. There is a war going on for ratings among the old networks and the proliferating cable stations. The traditional print media scramble to maintain an audience in an era of declining readership, and the supermarket tabloids jostle for attention. The Internet, still trying to find a mass-market identity, offers forums for mourners and conspiracy theorists.

Responding to the public's natural interest in Diana's story, the media may be fanning it into an unnatural size.

— THE NEW YORK TIMES

## Yeltsin Stands Out

Boris Yeltsin says he will not run for re-election. That might not seem remarkable, given that he is serving his second term as president of Russia, where the constitution limits presidents to two terms. But leaders in other nations of the former Soviet Union seem determined to hold on to power whether their constituents approve or not. In that context, Mr. Yeltsin's simple, seemingly offhand declaration to a group of schoolchildren this week ("My term ends in 2000. I will not run anymore.") is remarkable indeed.

How remarkable becomes clear when you look around Mr. Yeltsin's neighborhood. One Soviet legacy, it seems fair to say, is a reluctance to relinquish power.

Down in Turkmenistan, President Saparmurat Niyazov has declared himself Turkmenbashi, or Leader of All Turkmen, and has encouraged a personality cult that might have embarrassed Stalin, although without, it should be said, Stalin's terror.

Similarly ensconced, and brooking no challengers, are the heads of Uzbekistan, Kazakhstan, Kyrgyzstan and Azerbaijan. Supporters of Armenia's president manipulated the vote count when it appeared that he might not win a second term. Only Ukraine and the Baltic republics have witnessed peaceful transfers of power.

Mr. Yeltsin, too, it should be said, has shown himself determined not to be pried out of the Kremlin. In 1993 he called in tanks to defeat a political uprising, and last year he shamelessly manipulated state-controlled media as part of his successful re-election campaign.

The miserable state of his health by the end of that campaign led many observers to doubt whether he would survive one more year in office, let alone rule long enough to prompt speculation about a third term. But Mr. Yeltsin, 66, has emerged from heart surgery looking slim and healthy.

He did not have to announce his retirement plans so definitively, especially since his statement may well cause him some problems. The jockeying among would-be replacements will intensify, and his lame-duck status will gradually weaken his authority.

Those negatives are more than outweighed by the sense of constitutional orderliness conveyed by Mr. Yeltsin's remarks. His overarching goal as president, in fact, has been to make Russia more of a "normal" country — in its economics, in its ties to other countries, in its state institutions. A peaceful transition to an elected successor, in a country where no leader has enjoyed a peaceful and voluntary retirement, would be an important step in that direction.

— THE WASHINGTON POST

## Other Comment

### Why We Need Paparazzi

The death of Diana and the other passengers was an accident caused by bad decisions and bad driving, not by the celebrity photographers following her and not by her fans who eagerly consume the images they produce.

To hold the media responsible for this highly symbolic yet isolated incident is to misunderstand the absolute necessity for vigorous journalism, even media scandals, in democracies.

It is clear that whoever made the decision to race that Mercedes into the tunnel was not a photographer.

Let us hope that the hysteria about the media's role in the accident fades in the discussions that will follow. What must never be forgotten is the indisputable requirement of a free and vigorous press in the Western world's delicate system of checks and balances on social power.

The underlying factor in all of this is visibility, wanted and unwanted. When a princess or a president wants

media attention, he or she gets it. But if we allowed media celebrities — political figures, sports heroes, movie stars, billionaire business people, pop musicians, members of royal families — to limit the contexts in which they are viewed and pondered, then we would miss out on lots of important history.

We would have a very different view, for instance, of the late Richard Nixon, O. J. Simpson, Jim Bakker, Carlos Salinas de Gortari, even Hillary Rodham Clinton, among many others.

Media visibility holds accountable those who influence us by means of their political, economic or cultural power, which itself often is won through media exposure.

Some revision of the rules regulating invasion of celebrities' privacy may be appropriate, but the visibility and accountability that the news media guarantee are fundamental to democracy.

— James Lull, a professor of communication studies at San Jose State University, commenting in the Los Angeles Times.

# Cry Out for Algeria, and Press for Peace Talks

By Flora Lewis

PARIS — The barbarity of murderous attacks in Algeria has reached a level of deliberate cruelty that is incomprehensible as well as outrageous. Almost as hard to understand is the deliberate lack of reaction — from the terrified Algerian public, France and the West at large, the other Arab states and their populations.

For nearly five years now, scarcely a week goes by without a report, sometimes two or three, of 10, 15, 20 people including two entire families having their throats cut or being burned alive in their village.

Usually it is a one- or two-paragraph item without comment, perhaps adding up the death toll of the month and repeating the figure of "over 60,000 killed" since the 1992 elections were canceled and the Islamic Salvation Front was outlawed.

The apparently indifferent silence was broken, for the moment, after last week's attack on the village of Rais some 25 kilometers south of Algiers and not far from its airport. The number of victims reported varied, but as usual women, children, even babies were killed, mutilated, sometimes beheaded. A baby was found stuffed in an oven.

Now the London-based, Saudi-owned paper Al-Hayat has put the official figure at 256 dead at Rais.

The censored, harassed Algerian press was allowed to print pictures of the bodies and to comment on the government's failure to suppress terrorism,

but state-owned television was discreet.

There isn't much foreign press representation in Algeria because journalists have been regular targets for assassination. The courage of those Algerian journalists who continue to try to tell what is happening despite official constraints as well as terrorist threats is incredible.

One of them, a young woman who couldn't stand it any more and came to France a few months ago, told me that the lack of popular protest is because people have become too numb, too distraught to think of anything but trying to survive. "Everybody lives for the moment," she said. "If a few days go by and nothing happens, they tell themselves it's getting better."

The government claims it is fighting the last gasps of "residual terrorism," but the facts, which won't stay suppressed, show that to be nonsense.

The Rais case was particularly disturbing not only because of the numbers and the vicious methods of killing but because nobody ever came to help or protect the villagers. There were survivors, who said the slaughter lasted more than four hours.

That reinforced suspicions that some of the atrocities, always officially attributed to "Islamic terrorists," were perpetrated, or provoked or colluded in, by forces from the Algerian military. "I

can't allow myself to believe it, it would be just too awful," the young ex-journalist expatriate said. But clearly she half did. There have been too many rumors, too many strange events.

United Nations Secretary-General Kofi Annan finally spoke out and said that "tolerance and dialogue must take over from the forces of violence." But the government ordered the house arrest of Abassi Madani, a former Salvation Front leader it had released after six years in prison this past July presumably in recognition of the split between moderates and extremists in the Islamist movement.

His new crime was to address an open letter to the UN calling for "a serious dialogue" to end the violence. The government refuses any talks.

But those who know the situation well say it is becoming more and more of a euphemism to speak of "the government." There are rival cliques within the army, mafia gangs, important family clans, who have scores to settle. Wealth to dispute, power claims to assert. Algeria is on the cusp of what has come to be called a failed state.

Other leading Arabs try to ignore it, to exorcise it by saying "Algeria is Algeria, unique" and thus have an excuse for turning away. France, the former colonial power, which ceded independence after a long and very brutal war, has complex relations with it as well as an important dependency for petroleum and natural gas. It does

what it can not to embarrass Algeria. It has a mean policy of refusing asylum to people whose lives are clearly endangered on the grounds that they are not political refugees unless they are fleeing their government.

There are already several million Algerians in France, a strident anti-immigration movement, and a fear of being swamped by the Islamists take power in Algeria, so the pretense is to respect the authorities' claim to their sovereign right of noninterference.

But this is an egregious case of civil war and humanitarian disaster. Nonintervention abets the horror.

The only alternative to fighting is talking. There is urgent need now for an outside initiative to organize a conference and to exert pressure for negotiations among nonextremists, the great majority.

Mario Giro of the Sant'Egidio Community in Rome, which attempted to launch intra-Algerian negotiations in early 1995, said the situation is now much worse than it was then, because of the "Somalia-ization" of the country. But he also feels that international pressure could now succeed, and that it is more than ever necessary.

It is a matter of prudence. Much is at stake in volatile North Africa.

But even more, it is a matter of conscience. Passive indifference to such crime is also shameful. Why is there no resounding outcry?

Flora Lewis

## Behind the Noise About Taiwan Is a Chinese Strategic Vision

By Philip Bowring

TAIPEI — China laid down a barrage of invective against Japan-U.S. security arrangements before the current visit of Prime Minister Ryutaro Hashimoto to Beijing. In the process it redoubled the importance of the Taiwan issue to all parties.

Beijing addressed its angry words to Tokyo, not to the United States. China evidently feels that it can say whatever it likes about Japan, often in the crudest terms, but cannot afford to challenge America on such a central issue as the U.S.-Japan treaty in advance of Jiang Zemin's visit to Washington.

China exploited to the full some remarks by government spokesman Seiroku Kajiyama in Tokyo about the inclusion of Taiwan in the revision of guidelines on U.S.-Japanese defense cooperation, to raise the specter of a revival of Japanese militarism and impute dark motives to America as well.

That played well with the

dwindling number of Japanese who oppose the treaty and the also dwindling number of those in Japan who want closer relations with Beijing.

Despite congressional sympathy for Taipei's predicament, the ruckus will strengthen the hand of the pro-Beijing camp in America, so well represented in academia as well as in business. These circles tend to view Taiwan as an inconvenience.

Beijing's verbal offensive reflects its growing interest in Taiwan as a strategic question.

The One China goal now has practical rather than merely symbolic nationalist value. China's power projection capability is still weak, but if we look a decade ahead, control of Taiwan assumes greater significance for the region. It would give China control not only over the Taiwan Strait but also over the Bashi Channel, the strait be-

tween Taiwan and the north-easternmost Philippine islands.

This China would control both northern entrances to the South China Sea, making possible exercise of the sovereignty it claims over much of that sea as well as over most islands and undersea assets. It would also bring China's power close to Okinawa and southern Japan.

Taiwan is thus central to China's long-term goal of replacing the United States as the dominant power in the region and marginalizing Japan.

Those goals require undermining of the U.S.-Japanese alliance and, if possible, preventing a further significant buildup in Japan's ability to conduct operations outside its immediate waters. It is thus natural for Beijing to stoke domestic and regional opposition to the increasingly flexible interpretations of the Japanese constitu-

tion required by a role in regional defense.

The Taiwan Strait has always been implicitly included in the U.S.-Japanese treaty, which provided for use of Japan as a base for "regional security in the Far East." Although the position of Taiwan itself may be ambiguous, the strait, as an international waterway, is clearly within the treaty's scope.

In 1978, the treaty was developed by the adoption of Guidelines for U.S.-Japan Defense Cooperation, which cover the Far East as well as the case of attacks on Japan.

China is probably right to see revision of the guidelines as partly due to changing perceptions of China after last year's Taiwan Strait crisis. In Japan, popular sentiment toward China has plunged, and at elite levels Japanese are beginning to think more seriously about their role in the increasingly complex power relationships in the region.

Guideline revisions may be a small step toward Japanese involvement in collective defense arrangements rather than mere supply of logistics and noncombat support to U.S. operations.

Despite the prior verbal barrage, Mr. Hashimoto's visit will be positive for Chinese-Japanese ties. The two powers have issues of mutual interest — trade, investment and North Korea — which require a halt to the deterioration in relations.

Still, the exchanges over the guidelines are crystallizing thinking about the longer-term regional strategic roles of China, Japan and America.

As for Southeast Asia, it needs to stop assuming that talking is a substitute for strategy, or conferences for defense cooperation. At least on the South China Sea and on law-of-the-sea issues, it needs a coherent regional security policy that can influence events.

International Herald Tribune

## A Saddam Story: Fiddle With the Tap and Buy Oil Futures

By Thomas L. Friedman

WASHINGTON — Memo to my literary agent:

You recall last summer I sent you a proposal for a novel about how Saddam Hussein is deftly using his relationship with the United Nations to influence oil prices. Every time Saddam feigned cooperation with the UN, it triggered hopes that the UN would let him sell some oil, so prices went down. Every time Saddam stiffed the UN, it triggered fears that the oil embargo on Iraq would remain, so prices went up.

In my novel, Saddam was doing all of this deliberately because through front companies he was actually buying and selling oil futures, and he was a winner every time because he knew just how he was going to jerk the market up or down. That

novel was entitled "Manipulating the UN for Fun and Profit." Well, he's back! Saddam is at it again, and I have a great idea for a sequel novel, "Scuds & Scams: How to Rebuild Your Army With Oil Futures."

The book opens with oil traders at Morgan Stanley crowded around their Bloomberg machine, waiting for any news about Saddam, because in today's tight oil market with low inventories Saddam's behavior can be the key variable of world oil prices.

Moreover, last December the United Nations partially lifted the oil embargo on Iraq. Under UN Resolution 986, Saddam was allowed to sell \$1 billion of oil every 90 days, with the

money going into a UN-run account to buy medicine and food for Iraq's hungry people. This was a perfect setup for Saddam.

In the latest 90-day period, which began in early June, he sold only about \$500,000 in oil, saying he was protesting how the UN was distributing the food bought with that oil. That really had oil traders howling in laughter. Saddam's refusal to sell his full \$1 billion allotment came right when summer gasoline demand was rising and helped to tighten the market and boost prices.

Now, with summer demand over, Saddam wants permission to sell \$1.5 billion in this next 90-day period, and the prospect of that is depressing oil prices.

As my novel explains, Saddam was using dummy companies in Switzerland and Luxembourg, and rogue traders with whom he has special accounts, to buy oil futures last June at \$20 a barrel. Then he told the UN that he was not going to sell all his allotted oil, so the world oil price shot up to \$25 a barrel. Saddam made \$5 a barrel on his oil futures.

He also uses options on futures, a complex derivative that allows him to put up even less money to control even more oil futures. It's leverage on leverage, and if you know the way the market is going — which our boy Saddam does — oil futures options are like a license to print money, because with every dollar you can make 10.

Everyone looks at Saddam and says: "What a fool! He keeps doing things that force the UN and the U.S. to block him from selling oil for food for his people." But he's just toying with the U.S. and UN.

He is not interested in selling oil to benefit his people. He is only interested in benefiting himself and the army that he needs to protect him from his people. The only way he can do that is not by selling oil through the UN program — because none of that money comes to him — but by manipulating the UN program, and provoking the

United States and the United Nations into stopping and stopping his oil sales, so that he can make a killing in oil futures for his own account.

In my novel, Saddam also strikes a deal with an Asian nation (North Korea? China?) under which it agrees to secretly repair some of his tanks, and he pays with insider tips on the oil futures market. (Don't laugh. The Chinese just told the Kuwaitis that if Kuwait wanted China to vote for a renewal of the UN sanctions regime on Iraq, the Kuwaitis better think about buying Chinese howitzers instead of Western ones.)

In my novel, the CIA finally catches onto Saddam. As a result, Bill Clinton asks Saudi Arabia to declare that it will increase or decrease its own oil production to blunt whatever Saddam does. But the president is too late. While he was ignoring the Middle East, Saddam forged a quiet rapprochement with Saudi Arabia, Iran and Syria, and none of them will do America's bidding.

(Don't laugh. Iraq this Thursday opened its border with Iran for the first time since 1980, when the Iran-Iraq war started.) Well, as I said before, it's just a little novel idea I had. Nothing like this actually could be happening in the real world ...

The New York Times

## In Defense of Rome's Candidacy

By Romano Prodi

The writer is prime minister of Italy.

ROME — When the members of the International Olympic Committee vote in Lausanne, we will finally know whether the site of the 2004 Olympic Games is to be Athens, Buenos Aires, Cape Town, Stockholm or Rome. If a city other than Rome is chosen, the Italian government will be the first to congratulate the representatives of that city.

However, I would like to offer one final element for consideration, in the form of the reasons for the Italian government's firm endorsement of the candidacy of Rome.

Barcelona in 1992 and Atlanta in 1996 showed how the organization of the Olympics can reconcile modernization with respect for tradition and culture, large-scale investment with sound administration.

Few if any of the world's cities can bring to a challenge requiring the latest technological advances the centuries of history, the concentration of art, architecture and archaeology that form Rome's heritage. Yet these treasures, the monuments, squares and streets of Rome, are no justification for shutting our eyes

to the future. That is not what our forefathers did when they built the marvels of Baroque Rome next to those of the Renaissance, which were themselves built alongside the monuments of the Caesars.

Cities, like the men and women who inhabit them, have a life and an evolution of their own. This evolution needs to be governed, generation after generation, with the courage and resolve to set sights high and look far ahead to construct the future.

Emerging from decades of dictatorship and the death and devastation of World War II, in half a century the Italian people have built a solid democracy and a robust economy. Ranking among the world's leaders in national income and output, in exports and savings, Italy is now a nation of immense resources.

Entrepreneurs, architects, urban planners, engineers, artists, designers and couriers are appreciated worldwide. So are Italian workers and craftsmen. Italy has all the human and financial resources that it takes to stage an event like the Olympics with every assurance of excellence.

Organizing the Olympic Games is not just a fascinating challenge. It is an exceptionally difficult and complex task whose accomplishment demands great rigor, administrative transparency and capable management.

The Italian government is aware of this, and we are confident that the forces and resources mobilized on behalf of the Olympic candidacy for 2004 will guarantee unparalleled success.

Italy today is a mature nation which, with determination, rigorous administration and great sacrifice, has traveled the arduous path to a degree of stability comparable to that of our partners, with whom we now are preparing for the launch of a truly historic enterprise: European monetary union.

Rome can assure athletes of an environment and an atmosphere of human warmth without peer. Already engaged in preparations for the Holy Year of 2000 and thus all the better equipped, with the city government in the forefront, to host and organize international events on the largest scale, Rome offers the ideal site. I would almost say the natural site, for the Olympic Games of 2004.

International Herald Tribune

This article responds to "Spare Rome the 2004 Olympics" (IHT Opinion, Sept. 3) by Jas Gawronski.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1897: Police Attacked

BARCELONA — The Chief and Assistant-Chief of Police were walking in the Plaza de Catalunya towards midnight when they were accosted by a stranger, who fired three shots at them. Both officers were wounded, and the perpetrator of the outrage was eventually arrested. The assailant, who is a son of a former Councillor-General, admits he is an Anarchist. The Chief of Police expresses his conviction that he is an accomplice of the murderer of Senor Canovas, the Spanish premier.

### 1922: League Session

GENEVA — The third Assembly of the League of Nations opened its session with the representatives of forty-four nations. The President, Senor Da Gama, declared that the League had taken its place in the world as an organization essential to

its welfare, and that there was no need to fear that it might become a sort of super-state infringing the sovereignty of the nations. The Assembly will deal with disarmament, the admission of Hungary to the League and the affairs of Austria.

### 1947: Defense Treaty

WASHINGTON — Secretary of State George C. Marshall declared that the agreement of the nineteen American nations on a hemispheric defense treaty was the most stimulating action since the close of hostilities. He said: "The results of the conference demonstrate that where nations are sincerely desirous of promoting peace and well-being in the world it can be done without frustrating delays and without much of the confusing and disturbing propaganda that has attended our effort of the past two years" — a direct reference to the Soviet Union.

The Real Tragedy

PARIS — The general election to the French National Assembly on Sunday was a disaster for the right. The RFR, the main right-wing party, lost its majority. The left, led by the SFIO, won a decisive victory. The election was held in a climate of deep pessimism over the Algerian situation. The RFR's defeat was a major setback for its leader, General de Gaulle, who had hoped for a mandate to continue his policy of nonintervention in Algeria. The SFIO's victory was seen as a signal that the French people were ready to support a more active role for the government in Algeria. The election results were a surprise to many observers, who had expected a narrow victory for the right. The SFIO's win was a reflection of the growing disillusion with the government's handling of the Algerian crisis. The election was held on a Sunday, which was a departure from the usual practice of holding legislative elections on a weekday. The results were announced in the evening, and the SFIO's victory was celebrated in Paris. The RFR's defeat was a blow to its morale, and it was expected that the party would lose its position as the main opposition force in the National Assembly. The SFIO's victory was a significant step towards a change in French policy towards Algeria. It was expected that the new government would seek to end the noninterventionist policy and to support the Algerian people in their struggle for independence. The election was a reflection of the deep divisions in French society over the Algerian crisis. It was a sign that the French people were ready to support a more active role for the government in Algeria. The election results were a surprise to many observers, who had expected a narrow victory for the right. The SFIO's win was a reflection of the growing disillusion with the government's handling of the Algerian crisis. The election was held on a Sunday, which was a departure from the usual practice of holding legislative elections on a weekday. The results were announced in the evening, and the SFIO's victory was celebrated in Paris. The RFR's defeat was a blow to its morale, and it was expected that the party would lose its position as the main opposition force in the National Assembly. The SFIO's victory was a significant step towards a change in French policy towards Algeria. It was expected that the new government would seek to end the noninterventionist policy and to support the Algerian people in their struggle for independence. The election was a reflection of the deep divisions in French society over the Algerian crisis. It was a sign that the French people were ready to support a more active role for the government in Algeria.



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### MONKEY BUSINESS

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Reviewed by ...

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## Strategic Vision

What is going on here? Diana was an attractive young woman whose accomplishment in her life was to have been chosen to marry the Prince of Wales, to be betrayed by him, make this betrayal public in a calculated bid for public sympathy, divorce him and subsequently figure in an international

One explanation for what is happening, as *The Wall Street Journal* said earlier this week, is that Diana "was the center of an industry—a diversified, multinational, multimillion-dollar one—and, though many won't talk about it, her death could well expand the industry." It is a wholly parasitic industry. She profited

Jacqueline Kennedy resolutely insisted upon remaining a private person despite John Kennedy's assassination and the notoriety of her marriage to Aristotle Onassis. She sued photographers to keep

The narcissistic personality experiences not only an extreme love of self but an extreme need to have that love validated by evidence that others also love the narcissist. The lives of such people are dominated by the need to please others, so as to win their attention and approbation.

*International Herald Tribune*  
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## Diana's Gift

It is to be hoped that the young princes will understand, appreciate and follow her example for their own lives' work. They, too, will then know the reason for the extraordinary gratitude of so many British people for the life and work of Diana, Princess of Wales.

**THE LORD HANSON**  
London.

## Nuclear-Free Zone

Mr. Ogawa suggests the establishment of a nuclear weapon-free

The complicated ocean geography of the area, and the fact that two nuclear-weapon powers would be immediate neighbors of the zone, could require some fine print in a zone agreement.

If Taiwan was also added to such an arms control regime guaranteed by all major powers, its sovereignty problem could be solved earlier to resolve

*The writer was the arms control adviser for Sweden's Ministry of Defense from 1970-92.*

**By Maureen Dowd**

It is unbearably sad to imagine Diana, bloody and mangled and gesticulating, being descended upon in a tunnel by orn-

In Britain there were 50 freelance photographers who virtually lived off Diana, hounding her every move. Sometimes she begged them to stop, and sometimes she used them. She rode the Nixon tiger.

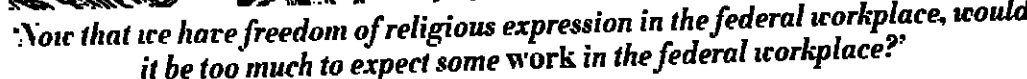
## MEANWHILE

consumers can't stop. The celebrity culture has become mass psychosis. It has broken out of its former confines in the entertainment industry and overrun institutions of authority. It has swamped the British monarchy as it has swamped the American presidency.

There is a theory that the identification with celebrities (and with really big celebrities known as "icons") is a form of empathy, that it enables ordinary people to expand upon the

Would that this were so.  
All that the celebrity cultu-

teaches is a counterfeit empathy, which mistakes prurience for interest and voyeurism for a genuine human identification. Living vicariously is



## BOOKS

## MONKEY BRIDGE

Reviewed by  
Michiko Kakutani

**M**Y dilemma," says the narrator of

also a story about the collision of public events and private lives, and the devastating consequences of cultural and emotional dislocation on the members of a single family. Moving back and forth between Mai's first-person reminiscences and journal

Their relationship is hardly the only thing to undergo a sea change. As Mai observes, many Vietnamese immigrants arrived in the United States without identification papers, and the lack of proper documentation has conferred on them the ability to invent others as well. Sometimes:

lord, sent to convent school and married off to a handsome intellectual. She leaves behind the green rice fields of the delta for a custard yellow house on a Saigon boulevard and gives birth to a beautiful baby girl.

**I**T is only as the war escalates that Thanh's world begins to fall apart: After her husband suddenly dies in his sleep, Thanh decides to move the family to the United States. With the help of one of her husband's friends who is an American military officer,

she sends Mai to the United States; she and her aged father, Baba Quan, will follow in a few months. The day they

political intrigue and melodramatic revenge. Although Cao's orchestration of these melodramatic revelations is far from fluent — incongruous developments and clumsy foreshadowings making us suspect that something is afoot long before we're supposed to — she more than makes up for this weakness with her authoritative and subtly nuanced delineation of character and place.

character and place. Mai, Thanh and their family and friends are rendered with fierce, unsentimental detail, and the disparate worlds they have called home — from the tiny villages of the Mekong Delta to the bustling streets of Saigon to the air-conditioned malls of Virginia — are made equally palpable to the reader. With "Monkey Bridge," Cao has not only made an impressive debut but also joined writers like Salman Rushdie and Bharati Mukherjee in mapping the state of exile and its elusive, ever-shifting home.

*Michiko Kakutani is on the staff of The New York Times*

# BRIDGE

By Alan Truscott

In the Women's Teams, the favorites are an American squad: Kathie Wei-Sender, Lynn Deas, Juanita Chambers, Irina Levitina, Stasha Cohen and Sue Sachs. The first four of those will represent the United States in the

A few minutes earlier East-West had asked for advice about how to defend against this two no-trump opening. Their opponent suggested using three clubs as a cue-bid showing a weak major two-suiter and three diamonds for a strong major two-suiter. Now West was so she had asked: she wanted to bid three clubs naturally and could not. East-West was

East-West were left to discover that they should have saved in seven hearts, probably losing 800 instead of 2,140. Inspired defenses would give the defense four tricks for 1,100. This good save might have been achieved if West had seized the opportunity to double the cue-bid of four hearts.

		NORTH	
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SOUTH (D)


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Both sides were vulnerable.

bidding:

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West led the club king.



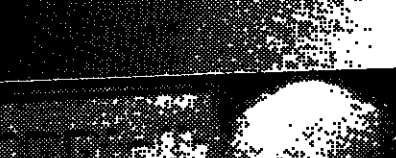
# WORLD

## Breaking the News

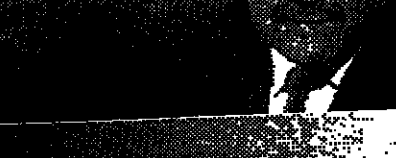
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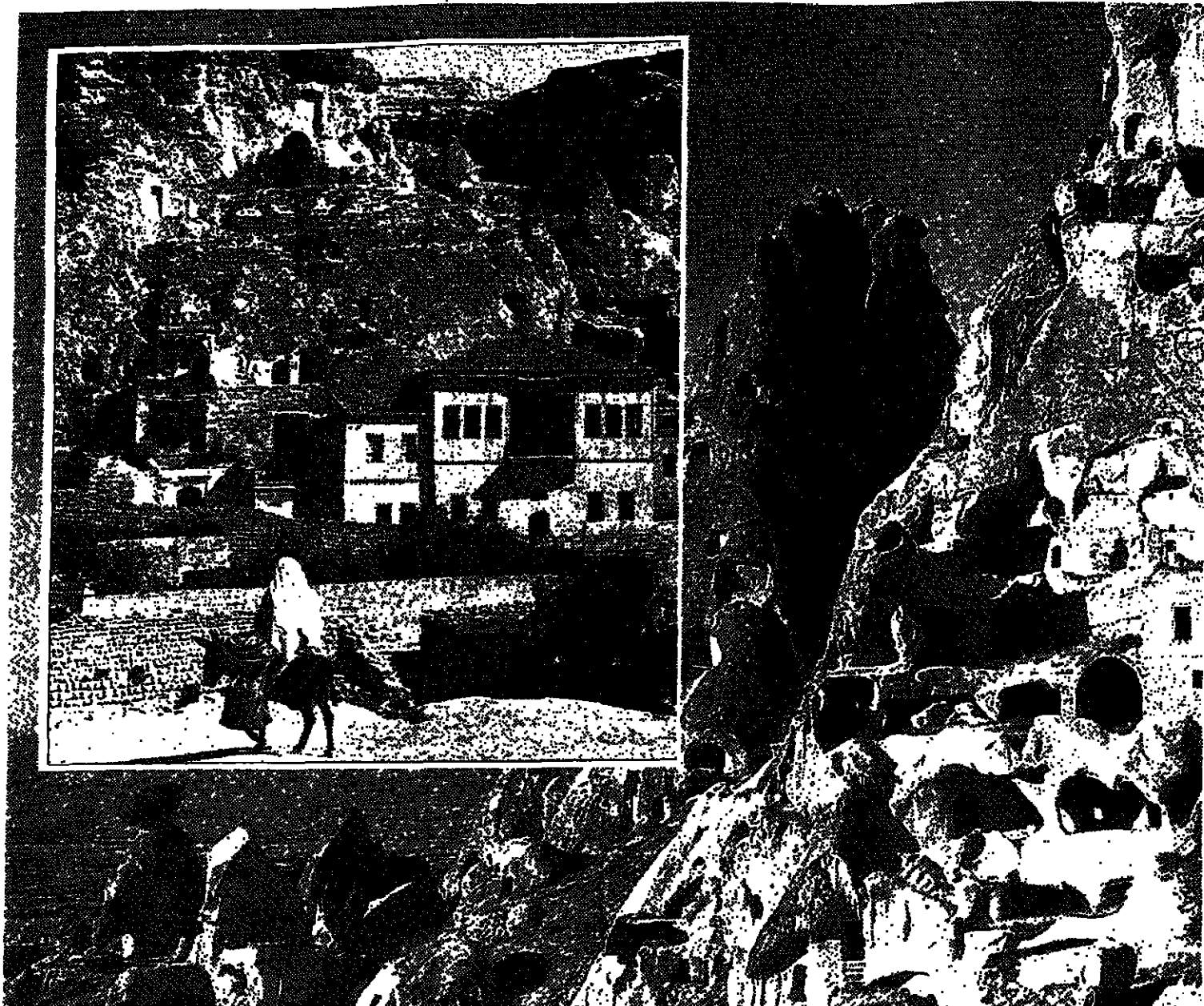
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The Turkish village of Cavusin (inset) and the citadel at Uchisar, a maze of caves and cells carved into soft volcanic rock.

## Ancient, Awesome Cappadocia

### Early Christians Used Spectacular Landscapes as a Refuge

By Stephen Kinzer  
New York Times Service

**K**AYSERI, Turkey—The cave I gazed up at during my visit to the bizarre Turkish region of Cappadocia was carved out of a soaring rock formation by a Christian monk more than 10 centuries ago. It was built for the seclusion of monastic life, and it still looks forbidding and unapproachable. I wondered what the cave must feel like from inside, and briefly considered the idea of trying to scale the almost vertical cliff in order to find out. Prudence prevailed, however, and I decided to appreciate it from below.

Then something happened that is a bane of male existence. A face appeared at the cave's entrance; one of my travel companions had successfully completed the ascent. As he waved triumphantly down at the rest of us, a subtle rush of testosterone must have stirred me. If he had made the climb, I also could and must. As others in our group shook their heads and turned to safer pursuits, I began to claw my way up the volcanic rock. There were few footholds, and the surface was so soft it often crumbled under my sneakers. Somehow, after a few scares, I managed to make my way to the top. There my friend and I,



A potter in the craft center of Avanos.

adventurers' credentials now secure, quietly celebrated our triumph.

The cave looked much as it probably did a millennium ago. Its main room was a decent size, considering it was probably used for sitting and contemplating the infinite. A couple of shallow holes in the floor were evidently used for cooking and washing. Shelves had been hewn from the walls, and there was even a second floor, perhaps a bedroom. The view of the ancient valley was spectacular.

**FAIRY CHIMNEYS** Cappadocia became a refuge for persecuted Christians as early as the second century, and by the fourth century it had produced several important saints, among them St. Basil the Great, who served as bishop of Kayseri. These Christians, safe from the hostile rulers of regions closer to the Mediterranean, carved caves in the cliffs and in the weird, soaring "fairy chimneys" that make Cappadocia one of the most extraordinary landscapes on earth.

There can be few places where the strangeness of nature is more striking. Volcanic eruptions millions of years ago covered Cappadocia with a soft form of lava known as tufa. Over the eons, wind, rain and rivers eroded the tufa in amazing ways, creating a series of deep valleys bordered by steep, gently undulating cliffs. Most unusual of all, they created the fairy chimneys, tall cones of tufa and volcanic ash that are topped by protective slabs of hard basalt. They resemble crudely cut columns with hats, and some of the hats look as if they have been precariously placed by some gargantuan prankster, and could fall off at any moment. In some places, the variety in rock quality adds color to the bleakness, giving the impression of shimmering waves of greens, blues and ochers.

These geological formations make Cappadocia an ideal spot for long

hikes and, for those so inclined, death-defying climbs. Visitors quickly run out of adjectives, but amazement at the strange shapes does not fade. To walk among them, or to ride on horseback with the tours offered by local agencies, is an otherworldly experience.

This rugged beauty would in itself be enough to make Cappadocia an important destination for travelers. The fact that it was also a cradle of Christianity gives it a profound human dimension as well.

Most of the caves that early monks carved into the soft Cappadocian rock were private cells. As the Christian community became stronger, however, its leaders began to cut bigger caves for churches. Many have been rediscovered in recent decades, and they give a sense of the spiritual lives of early Christians. Priests and artists painted murals on their walls and domes, many of which are still visible. Most depict scenes in the life of Jesus.

**C**APPADOCIA has no official boundaries, but many of its attractions are within a triangle formed by the towns of Avanos in the north, Nevsehir in the west and Urgup in the east. Visitors often base themselves in or near Goreme, which lies near the center of this triangle. Goreme is about 200 miles (320 kilometers) south-east of Ankara, and the drive there takes the better part of a day. I chose instead to fly to Kayseri, which is less than two hours east of Goreme. From there I drove to the Kapadokya Lodge in Nevsehir for a four-day stay. It was a bit too crowded and modern for my taste, but it is built in a false-cave style many guests find charming.

Probably the most popular attraction in Cappadocia is the open-air museum at Goreme. Here visitors can experience both the region's geological extremes and its rich religious heritage. There are small caves in which monks lived, chapels and full-scale churches decorated with soaring murals depicting the lives of Jesus and early saints. From the museum, it is a short drive, or long but exhilarating walk, to the

Goreme Valley, where the landscape is especially extreme and churches include lavishly decorated ones built into stone columns.

A few miles from Goreme is the citadel at Uchisar, a warren of cells, caves and promontories. From the top you have one of the finest views of Cappadocia, out over the vineyards and apricot groves to the valleys and wavy rock formations that make the region famous.

#### UNDERGROUND CITIES

Few visitors leave Cappadocia without visiting one of its underground cities. It is unclear who first began construction of these astonishing mazes, but some of them are said to date from the fourth century B.C. They were apparently used as sanctuaries for entire communities during epochs when conquering hordes swept across Anatolia, and they are complete with complex ventilation systems, storage areas, cooking and washing facilities, and even heavy stone slabs that could be rolled across passageways to bar invaders.

Guidebooks are naturally helpful in a place like Cappadocia, but it is so full of wonders that simply setting off by yourself can often provide the most memorable experiences. One morning I left my car in a small village called Cavusin and began walking along a dusty path. After an hour I saw a gaping hole in the side of a hill, and upon investigating found an ancient church with three splendid crosses carved into the ceiling.

After continuing past lagoons and colonies of sleeping turtles, halfway up a craggy cliff I found a man sitting in a small cave selling hot tea and cold sodas. He was the custodian of a lovely thousand-year-old church in an adjacent cave, decorated with paintings of saints and prophets. No guidebook I found mentioned this place, and only from an unpublished work by the British scholar David Barclay was I able to learn that the two churches I had stumbled upon date from the 10th century. He described the walk from Cavusin as "one of the most sublime excursions in the world."

## Homage to Catalonia: Astonishing New Food

By Patricia Wells  
International Herald Tribune

**R**OSAS EN CALA MONTJOI, Spain—Just when you are certain that you have seen and tasted and digested everything astonishing the late 20th century has to offer, along comes a new high priest of food, Ferran Adria.

It comes as no surprise to find this cherubic 35-year-old Catalan in the land of Gaudi and Dali. His magic is expressed not in architectural drawings or oil paints, but with herbs and spices, crustaceans, organ meats, nuts, oils and, yes, even water. Adria is redefining gastronomy as we know it. His approach is intellectual, but he won't confuse you or put you to sleep. On the contrary, he will challenge you and, hopefully, offer you a gastronomic experience that will rocket you into the 21st century.

Walk, run, fly, drive to this heavenly cove along Spain's Costa Brava, 156 kilometers (100 miles) north of Barcelona. But leave all food preconceptions at the door of El Bulli, this 1950s hacienda-style restaurant overlooking the lapping waters of the Mediterranean. Put yourself in the hands of Adria and his outgoing, able partner, Julio Soler. Come with a clean, open palate and be prepared for fireworks. Your palate will do handsprings and somersaults and you will walk on water. Don't come for a serious business discussion, to propose to your beloved, or to simply tide yourself over from meal to meal.

So here we go: Fasten your seat belts. It's going to be a heavenly ride. Sign up for the 28-taste menu, a whirlwind of flavors, textures, colors, presentations that you will not have imagined. I hope you love everything, but no doubt, like me, you will be less than enthusiastic about two or three creations. Perfection is only there as a goal, one that is unattainable.

#### YOUR PALATE WILL APPLAUD

Sit on the sun-drenched terrace overlooking the beach, sip a glass of Spanish bubbly or finest old amontillado sherry and get set for the parade. The taste menu changes twice daily, but may well begin with about a dozen *tapeitos*, carefully conceived little rations served on a stick, or from tiny silver spoons, squat, clear glasses, Chinese porcelain spoons. They will go by in a daze and your palate will whirl, shout, applaud. Pay attention to the textures, the smooth and the crunchy. Listen to the assault of sugar, of salt, of fat. They are there to wake you up.

Tiny cigars of peanut brittle are filled with an ooze of guacamole, to keep on your tongue, to crush, then swallow and consider. Lollipop sticks sprout triangles of crisp, fried artichokes, and puffy crumpled of aspic rice crackers are quickly laced in a mild curry powder. Adria makes you work for your food—the unexamined meal is not worth eating.

Squares of crisp Parmesan shortbread are filled with a frozen mix of sweet cream and grated Parmesan—you wake up with a start. Oh, hedonism was never like this. From crescendo to crescendo: You bite into sandwich-like wands of parchment-thin salty bacon, spread with a dab of sweet prune puree. Cubes of foie gras are drizzled with sugary caramel and dosed with a touch of mango. A giant clam arrives with snips of bacon, all bathed in a seaweed broth.

And just when you think you have now, at last, tasted it all, along comes—no, believe me on this one—a froth of smoked air. Don't ask me how he does it, but that little shot glass filled with fragrance and salt and oil is not much more than air infused with smoke. And we smack our lips with delight.

It is as if Adria rose out of the ashes of nouvelle cuisine: In the 1980s, he and Soler traveled from one grand French restaurant to the next, making friends and picking up the influence of Troisgros, Blanc, Guerdon and Chapel. Beginning in 1983 at El Bulli (a restaurant begun in the 1960s and named after the owner's fondness for bulls), they modeled their cuisine after the masters.

Then, seven or eight years ago, still as head chef at El Bulli, the Barcelona native began to create his own style of cuisine.

"Nothing is spontaneous," says Adria, explaining that the winter months are set aside for creation, testing and retesting. His philosophy is to inspire, adapt and associate. He will often take a dish, such as gazpacho, and dismantle it ingredient by ingredient. Once the pieces are all set apart, he attempts to create the essence of each ingredient, reconstructing it on the plate as a piece of a puzzle.

**SALTY ALMOND ICE CREAM** After the *tapeitos*, Adria continues the assault with a salty almond ice cream paired with fresh almonds, a touch of oil and a sprinkling of balsamic vinegar. His deconstruction of the famous white Spanish almond soup, *ajovado blanco*. Next, that classic combination of tomatoes and basil appear as pure essences, mounds of red and mounds of green in a fitting tomato gele.

Adria continues to demand your participation. No unconscious nosing here.

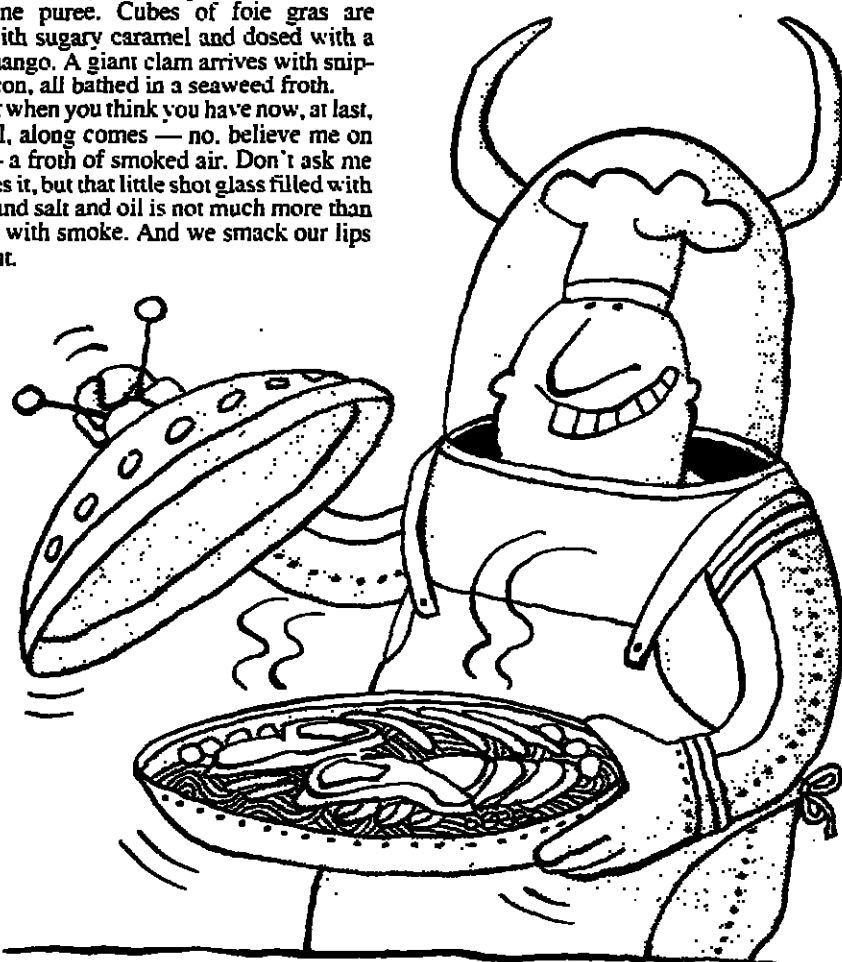
Just when you thought there were no more food revelations, he surprises you with a rectangle of bone marrow topped with a fence of salty, glistening caviar. This is not food as fuel, but a workshop in texture and taste.

Less convincing, and less successful, are the eggplant soup intense with pine nuts, but languidly served too raw for my taste, but artfully wrapped in rich *cepes* mushrooms, a trompe l'oeil presentation designed to mimic the crustacean's layered shell.

Desserts follow suit, with tiny pillars of black chocolate filled with pools of coconut cream, and rounds of chocolate imbedded with mint leaves, like bright green fossils.

While the dining room is traditional—white stucco walls, dark wooden beams, sparkling chandeliers and comfortable high-back upholstered chairs—Adria's kitchen is, as one might expect, a space-age creation. Shiny stainless-steel counters are inset with induction cooktops, and a glass wall looks out onto a garden beyond. The gods and Michelina are behind Adria and Soler, who were awarded the coveted three-star rating this spring. But it is clear that they are only hitting their stride. If you care about fabulous, modern, creative food, don't miss the ride.

**El Bulli**, Apartado 30, 17480 Rosas en Cala Montjoi, Spain. Tel: (34) 972 15 04 57. Fax: (34) 972 15 07 17. Closed Monday and Tuesday (except July to September) and from Oct. 15 to March 15. Credit cards: American Express, Diners Club, MasterCard, Visa. Menus from 10,000 to 14,000 pesetas (\$65 to \$90), including service but not wine or tax.



## Safari Blues: Political Violence Takes a Toll on Tourism in Kenya

By James C. McKinley Jr.  
New York Times Service

**N**AIROBI—More and more tourists have canceled trips to Kenya's white-sand beaches and wild-game parks as accounts of armed gangs wreaking havoc and killing police officers on the Indian Ocean Coast have hit the news.

The violence, around the port city of Mombasa, has claimed at least 42 lives since Aug. 13. It is the latest in a series of blows to Kenya's tourism industry.

Since May, the images coming out of this East African country have been uniformly scary: prodemocracy protesters fighting street battles with the police, baton-wielding soldiers clobbering a defenseless clergyman during a riot, demonstrators hurling stones at cars and looting stores.

But until recently, most of the political violence had not touched the game parks and beach resorts that attracted most of the 770,000 tourists who visited Kenya last year.

In mid-August, however, Kenya's political crisis took a nastier turn. Although no tourists were attacked, the State Department has warned Americans to avoid the coast, while Britain, Germany, Belgium and Italy have told their citizens to use extreme caution and avoid troubled areas.

**TRAVELERS HEED WARNINGS** The warnings apparently have been heeded by many international travelers, who spent \$465 million here in 1996, making tourism the biggest industry in Kenya. In mid-August, hundreds of vacationers from Europe canceled trips to Mombasa at the last minute. A charter jet from Italy, for instance, landed in Mombasa

with only 98 people when more than 200 had bought tickets.

In general, people planning a once-in-a-lifetime safari or looking forward to a peaceful African beach holiday might want to consider postponing their trips until after Kenya's elections later this year, when the situation will probably cool down, diplomats say. "I'm starting to think this could really spin out of control," said a diplomat, insisting on anonymity.

For those who cannot wait, the major game parks in the north and south of the country are still insulated from the capital and the coast, where most of the violence has taken place. And on the coast, the police and tour operators maintain that they have set up measures to insure protection at the major hotels or resorts.

In Mombasa, for instance, tour companies have a 24-hour communications war

room to warn hotel owners and bus operators by radio of trouble spots. Tourists are being moved in convoys between the airport and the resorts.

**S**TILL, the heightened security has eroded the relaxing atmosphere most vacationers crave. For several days, hundreds of tourists in the big resort hotels north and south of Mombasa were trapped while the police fought gun battles with armed gangs along the coast highway.

The current wave of violence began on Aug. 13, when more than 100 men armed with guns, machetes and clubs attacked a police station in Likoni, just south of Mombasa, then went on a rampage through a section where many people from inland tribes live. Seven police officers were killed, along with eight other people.

Then, well-organized gangs, appar-

ently drawn from the ranks of unemployed men along the coast, razed businesses, homes and kiosks belonging to people from other parts of Kenya, and lynched dozens of people. On Aug. 19, gangs burned down more than 300 kiosks belonging to residents in Malindi, 70 miles (110 kilometers) north of Mombasa.

The raids have seemed more like ethnic wars than traditional tribal clashes. Leaflets have appeared in Swahili, saying: "The time has come for us original inhabitants of the coast to claim what is rightly ours. We must remove these invaders from our land."

The government has arrested more than 400 people, including two local political leaders with connections to the governing party. But the raids may have been the first volley in a long struggle.

President Daniel arap Moi, the 73-year-old patriarch who has been in

power since 1978, has blamed opposition politicians and civil rights advocates for stirring up tribal hatreds. Opposition leaders maintain that Moi plans to use the violence his own agents have instigated as an excuse to forestall constitutional reforms and postpone elections.

**AVOIDING TROUBLE SPOTS** It is still possible to visit Kenya and avoid trouble spots. Tourists who decide to come should be cautious, traveling with one of the well-established safari operators rather than on one's own is also advisable. But even they acknowledge limitations.

"We can't guarantee the tourists and the world 100 percent security," said Rehab Mwendwa, the vice chairwoman of the Mombasa and Coastal Tourist Association. "Only the government can do that."

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NORDDEUTSCHE LANDESBANK GIRONZENTRALE

# Doubters Question Dutch Path

## McKinsey Study Takes Dim View of Recovery

By Erik Ipsen  
International Herald Tribune

The Netherlands economy, widely regarded as one of Europe's rare success stories for the growth in its economy and the reduction in its unemployment, stands as little more than a statistical illusion, according to a new report. "Contrary to popular belief and recent press reports, Dutch economic performance still lags that of other major economies by a wide margin," said the report from international consultants McKinsey & Co. The study was presented to the Dutch prime minister and a group of leading business executives at a meeting Thursday in the Hague.

In recent years, observers ranging from the Organization for Economic Cooperation and Development to a bevy of international banks have held up the example of the Netherlands as the leading — if not only — example of how Europe's overtaxed and underperforming economies could be turned around into job-generating machines.

By succeeding without tossing out Europe's abiding concern for workers' rights and social welfare, the Netherlands has often been put forward as a proof that there exists a humane alternative to the American model.

In a report last month, for example, David Kern, chief economist for Britain's National Westminster Bank, conceded that the United States has indeed excelled at creating new jobs with what he termed its "harsh" economic regime.

But because the American approach brings with it what he calls "low job security, a widening of income inequalities and many social problems," Mr. Kern said that "there is much that can be learned from the Dutch experience."

The McKinsey report begs to differ. It zeroes in on what most consider the seminal achievement of Dutch economic reformers, its stunning success in bringing down unemployment rates.

With 7.2 percent of its work force unemployed, the Netherlands stands as the envy of its European neighbors such as France, where 12.5 percent of the labor force is without jobs. The decline contrasts markedly with most other Continental countries.

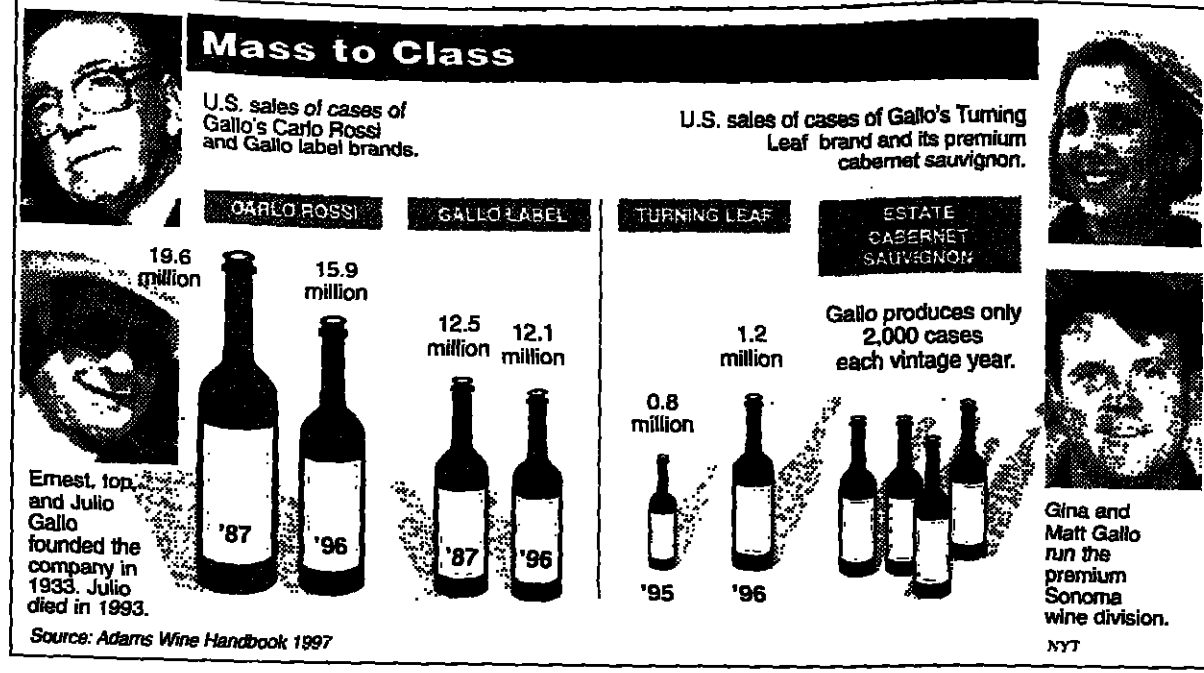
"The biggest surprise for us was that Dutch economic performance was not at the high levels that everyone commonly believes," said Bill Lewis, director of the McKinsey group that put together the report.

Exhibit A is what the report calls a "real" unemployment rate of more than 20 percent — or nearly three times the official level.

The authors say the biggest group of the hidden unemployed includes the tens of thousands of Dutch whom they classify as "able to work but instead are supported by welfare benefits." With unemployment benefits that come to 78 percent of the level of the minimum wage — compared with European average of 64 percent — and with other official programs chipping in a bit more, the Dutch jobless can reasonably expect to stay at home and exceed the minimum wage by 5 percent.

The authors fault the government for giving its citizens incentives to steer clear of work, but also for making jobs too pricey for employers to create. For the unskilled, the Netherlands' minimum wage of nearly \$10 an hour makes these workers nearly twice as expensive to employ as they are in the United States — and half as likely to actually find a job.

McKinsey credits much of the illusion to the fact that between 1970 and 1985 the Dutch economy fell into a far deeper recession than its neighbors. Since 1985, the Dutch economy has revived, but its growth has been more of a story of recovering lost ground, not of surpassing its Continental neighbors. In terms of economic output per person, for instance, Holland has now pulled even with France, but it still ranks a conspicuously average eighth out of 16 Western European nations.



# Gallo Goes for a Premium Label

By Frank J. Priol  
New York Times Service

HEALDSBURG, California — Over lunch recently at Bistrot Ralph, a wine makers' hangout in the heart of the California wine country, somebody mentioned that E. & J. Gallo Winery Inc. — the mass producer of inexpensive jug brands like Carlo Rossi and Gallo Hearty Burgundy and street fortifiers like Thunderbird — had placed in the top 10 in a rating competition with one of its new Sonoma wines.

But the remark only exasperated Gina Gallo, a third-generation marketing executive with the company. "First would have been better," Ms. Gallo said, pausing between bites of her lamb burger. "Second is okay, too. But just being in the top 10 is unacceptable."

Gallo has always wanted to be No. 1 at everything it does. And it mostly has been. Since it was founded in 1933 by the brothers Ernest and Julio Gallo, it has grown into the biggest winery in the world, with production of nearly 900 million bottles last year and revenue approaching an estimated \$1 billion. The privately held company does not release its financial results.

Sales representatives like to quote a line by Ernest Gallo, the 88-year-old

family patriarch: "We don't want most of the business; we want it all." One market segment always eluded Gallo, though. That was premium fine wines, those cabernet sauvignons, chardonnays and pinot noirs aged in wooden barrels and corked in 750-milliliter bottles. So, after several false starts in the marketplace, the company is trying once again to conquer that territory.

Finally, despite its reputation as a mass rather than a class wine maker, simply the signatures of the founders. These include the Single Vineyard varieties — chardonnays, cabernets and the like with price tags of \$14 to \$18 — and the top-of-the-line Sonoma Estate wines, including a chardonnay that retails for \$30 and a cabernet sauvignon that goes for \$40.

A \$40 bottle of Gallo wine? Yes, and to the consternation of Gallo's competitors, some of the wines are winning raves among customers and critics. Chez Panisse, the Berkeley restaurant owned by Alice Waters that is in the vanguard of the best in California cuisine, recently bought its first cases of Gallo Sonoma wines.

"They said it couldn't be done," said Ed Everett, an importer and wine consultant based in San Francisco. "Everyone in the industry said Gallo could never shake off its jug-wine image. This is just the kind of challenge the Gallos love. And they've done it."

There is a good reason, of course, that Gallo is so determined to remake its image. Consumption of the blended table wines on which Gallo feasted for years has stagnated, while varietals, named for the predominant grape used to make them, have taken off.

Last year, for example, the volume of varietals shipped by California

See GALLO, Page 18

# Government to Retain Its Holding in Air France

Compiled by Our Staff From Dispatches

PARIS — Prime Minister Lionel Jospin on Thursday ruled out the privatization of Air France, putting him on course for a clash with the carrier's chairman Christian Blanc.

"The government confirms that privatization is not on the agenda," Mr. Jospin said after two hours of talks with Mr. Blanc.

Mr. Blanc, who has said he will not remain chairman of the airline if the privatization does not go ahead, declined to comment after the meeting.

Mr. Blanc also had demanded that the state make clear its intentions by Sept. 12, when the boards of Air France and Air France Europe meet to approve a merger.

Transport Minister Jean-Claude Gaysot met earlier with Mr. Jospin and Economics and Finance Minister Dominique Strauss-Kahn to discuss the privatization issue.

Mr. Gaysot, one of two Communist ministers in the Socialist-led government, said earlier this week that there would be "neither privatization nor maintenance of the status quo" at Air France. He also said that he favored closer alliances between the airline and other carriers.

Philippe Seguin, a member of Parliament and head of the conservative Rally for the Republic, which is President Jacques Chirac's party, said that retaining control of Air France was "a dangerous path for the company" to tread.

He said employees who had had to make sacrifices as part of cost-cutting

plans at the airline would be ill-rewarded if the government did not agree to give up control of the carrier.

The labor union Force Ouvriere, which represents the majority of workers at the carrier, has come out in favor of Mr. Blanc's position.

Force Ouvriere, like Mr. Blanc, argued in a statement released Thursday that only by selling a majority stake in the carrier can Air France raise sufficient capital to fund expansion.

Mr. Blanc also said that only as "a normal company" — that is, a private company — can the carrier be attractive to such partner airlines as Delta Air Lines and Continental Airlines, with which it already has marketing agreements.

Air France is 90.12 percent owned by holding company Groupe Air France, which itself is 100 percent owned by the French state. The state owns another 6.3 percent of the national airline directly.

In another closely watched privatization, a government report on the future of France Telecom to be delivered Friday is expected to recommend at least partial privatization of the telephone monopoly, analysts said.

The unions are fiercely opposed to the privatization.

The government has a problem, however, because full liberalization of the European Union telecommunications market takes effect Jan. 1, and most other European telecom monopolies, such as Deutsche Telekom, have already been partially privatized or are well on the way to being so.

(Bloomberg, AFP)

# ABB Loses Contract For Malaysian Dam

## Biggest Project Ended in Cost Dispute

Compiled by Our Staff From Dispatches

ZURICH — Share prices in ABB Asea Brown Boveri Ltd. fell Thursday after the Swiss-Swedish industrial company lost its biggest-ever contract to build a dam in Malaysia.

Ekran Bhd., developer of the Bakun Dam project in Malaysia, announced it had canceled ABB's contract, which was worth more than \$2.5 billion.

Shares of ABB AG, the Swiss parent, declined 57 francs to 2,178 (\$1,452). Shares in the Swedish parent, ABB AB, fell 3 kronor to 113 (\$14.26).

The announcement in Kuala Lumpur followed a dispute between Ekran and ABB over terms of the contract for the \$5.3 billion dam.

The cancellation will wipe about \$220 million off ABB's operating profit in the five years from 1998, analysts said. In 1996, ABB posted operating profit of \$3.03 billion.

"This is going to hit ABB hard," said Thomas Schenker, a fund manager at ING Bank (Schweiz) AG.

"It's possible the contract has just been put on ice, but things look bad for the company."

The decision was made after the two parties failed to come to an agreement over the engineering, procurement and construction contract, the official said.

"Despite the protracted negotiations, no agreement has been reached," he said, adding that "certain procedures will have to be followed" in the termination of the contract.

Ekran, which holds 32 percent in Bakun Hydro-Electric Corp. that was formed to carry out the dam project, had last month revealed a possible delay in the project caused by the dispute with ABB on the issue of cost overruns.

The dam project in eastern Sarawak state on Borneo island is scheduled to begin commercial operation in 2003, with production capacity to reach 2,400 megawatts.

ABB, however, did not confirm whether it had lost the contract, but said it "is of the opinion that the parties concerned are close to an agreement."

The company said that the Malaysian announcement "has been initiated by one" shareholder in Bakun Hydro-Electric, and that it did not "constitute a majority opinion."

ABB's consortium included Brazil's Companhia Brasileira de Projetos e Obras. The project, which has had the personal backing of Prime Minister Mahathir bin Mohamad, has faced opposition from environmentalists, concerns over share financing and doubts about its financial viability.

But Mr. Mahathir identified Bakun later on Thursday as one of several public works projects that he was delaying indefinitely because of stock and currency market upheaval.

The contract included supplying six 420-megawatt hydro-generators and a 500-kilovolt high voltage direct-current transmission system, and installing 650 kilometers of (400-mile) submarine cable to connect the dam to Peninsular Malaysia.

Parts of the orders from Bakun were booked by ABB in the first quarter of this year.

Ekran Bhd., controlled by tycoon Ting Pek Khing, has a 32 percent stake in the Bakun holding company.

Other key shareholders are the federal government's Employees' Provident Fund, state-owned Tenaga Nasional Bhd., government investment arm Khazanah Holdings Bhd., the Sarawak state government and Sarawak Electricity Supply Corp.

Equity analysts in Kuala Lumpur said the news would be another big blow to the already slumping stock market.

Rapidly eroding investor confidence pushed Malaysian stocks down by more than 10 percent at one point on Thursday but they recovered in late trading to end down 2.62 percent, or 19.64 points, to 731.12.

With economists bearish on Malaysia because of its long list of major infrastructure projects that have caused economic overheating, a delay in the Bakun and other projects may be a blessing, some analysts said.

"It is possible that the whole dam project could be renegotiated, and scaled down so that they just provide power for east Malaysia and Kalimantan," said the head of research at a foreign brokerage.

It may be a signal that the economy is slowing down, he said, "and that some sensible decisions are being made."

(AFP, Bloomberg, Reuters)

CURRENCY & INTEREST RATES														
Sept. 4														
Cross Rates														
Currency	Per \$	Per £	Per ¥	Per Sfr	Per DM	Per HK\$	Per N¥	Per Rp	Per R\$	Per B\$	Per INR	Per KRW	Per THB	Per MYR
Australia	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Canada	0.7125	0.2815	0.0035	0.4375	0.3615	0.0045	0.5625	0.4785	0.0055	0.7125	0.2815	0.0035	0.4375	0.3615
France	1.6365	0.6415	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Germany	1.6365	0.6415	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Italy	1.9365	0.7515	0.0095	0.8750	0.7500	0.0115	0.9375	0.8125	0.0135	1.1765	0.4515	0.0155	1.2500	0.4515
Japan	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
UK	0.6345	1.0000	0.0125	1.5625	1.2500	0.0155	2.1875	1.8750	0.0185	2.5365	0.9515	0.0205	2.8125	0.9515
US	1.0000	0.6913	0.0083	1.0000	0.6913	0.0083	1.0000	0.6913	0.0083	1.0000	0.6913	0.0083	1.0000	0.6913
Switzerland	0.7500	0.2913	0.0035	1.0000	0.7500	0.0045	1.5625	1.3125	0.0055	2.1875	0.8125	0.0065	2.8125	0.8125
Sweden	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Spain	1.6365	0.6415	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
South Africa	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
South Korea	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Thailand	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Taiwan	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Malaysia	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Philippines	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Singapore	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Indonesia	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Brunei	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Myanmar	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Laos	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Vietnam	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Cambodia	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
Timor	1.5465	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345	0.0075	0.7500	0.6345
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Currency	Per \$	Per £	Per ¥	Per Sfr	Per DM	Per HK\$	Per N¥	Per Rp	Per R\$	Per B\$	Per INR	Per KRW	Per THB	Per MYR
Argentine peso	0.0099	0.0039	0.0005	0.0062	0.0051	0.0006	0.0075	0.0063	0.0008	0.0117	0.0045	0.0005	0.0062	0.0051
Australian dollar	0.7125	0.2815	0.0035	0.4375	0.3615	0.0045	0.5625	0.4785	0.0055	0.7125	0.2815	0.0035	0.4375	0.3615
Canadian dollar	0.7125	0.2815	0.0035	0.4375	0.3615	0.0045	0.5625	0.4785	0.0055	0.7125	0.2815	0.0035	0.4375	0.3615
Chinese yuan	0.0156	0.0061	0.0008	0.0104	0.0085	0.0011	0.0131	0.0112	0.0014	0.0194	0.0075	0.0010	0.0125	0.0095
Czech koruna	0.0206	0.0081	0.0011	0.0129	0.0106	0.0014	0.0171	0.0145	0.0018	0.0244	0.0095	0.0012	0.0156	0.0117
Danish krone	0.0136	0.0053	0.0007	0.0169	0.0139	0.0018	0.0225	0.0191	0.0024	0.0312	0.0125	0.0016	0.0206	0.0156
East German mark	0.0068	0.0027	0.0004	0.0084	0.0069	0.0009	0.0112	0.0095	0.0012	0.0156	0.0061	0.0008	0.0104	0.0075
Finland mark	0.0064	0.0025	0.0004	0.0080	0.0065	0.0008	0.0104	0.0087	0.0011	0.0145	0.0058	0.0007	0.0104	0.0075
French franc	0.0156	0.0061	0.0008	0.0104	0.0085	0.0011	0.0131	0.0112	0.0014	0.0194	0.0075	0.0010	0.0125	0.0095
German mark	0.0156	0.0061	0.0008	0.0104	0.0085	0.0011	0.0131	0.0112	0.0014	0.0194	0.0075	0.0010	0.0125	0.0095
Italian lira	0.0017	0.0007	0.0001	0.0021	0.0017	0.0002	0.0025	0.0021	0.0003	0.0039	0.0015	0.0002	0.0021	0.0017
Japanese yen	0.0075	0.0030	0.0004	0.0093	0.0075	0.0010	0.0117	0.0100	0.0012	0.0156	0.0061	0.0008	0.0104	0.0075
Korean won	0.0010	0.0004	0.0001	0.0012	0.0010	0.0001	0.0013	0.0011	0.0001	0.0019	0.0008	0.0001	0.0012	0.0010
Malaysian ringgit	0.0075	0.0030	0.0004	0.0093	0.0075	0.0010	0.0117	0.0100	0.0012	0.0156	0.0061	0.0008	0.0104	0.0075
Peruvian sol	0.0001	0.0000	0.0000	0.0001	0.0001	0.0000	0.0001	0.0001	0.0000	0.0001	0.0000	0.0000	0.0001	0.0001
Russian ruble	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Slovak koruna	0.0001	0.0000	0.0000	0.0001	0.0001	0.0000	0.0001	0.0001	0.000					







Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
<p>A M J J A S 1997</p>	<p>A M J J A S 1997</p>	<p>A M J J A S 1997</p>		
Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	915.27	928.61	-1.33
Brussels	BEL-20	2,435.55	2,439.54	-0.17
Frankfurt	DAX	4,071.68	4,103.65	-0.78
Copenhagen	Stock Market	608.72	616.91	-1.17
Helsinki	HEX General	3,399.82	3,415.63	-0.46
Oslo	OBX	599.39	599.10	+0.04
London	FTSE 100	4,991.30	4,978.90	+0.29
Madrid	Stock Exchange	595.79	587.27	+0.08
Nielsen	MIBTEL	14626	14595	+0.21
Paris	CAC 40	2,926.99	2,917.92	+0.31
Stockholm	SK 15	3,339.73	3,351.34	-0.35
Vienna	ATX	1,394.02	1,378.08	+1.16
Zurich	SPI	3,525.04	3,524.01	+0.03

Source: Teleturus

Information & Herald Tribune

proposed Jan. 1, 1999, launching of the single European currency.

"My statements are clearly not a plea for a delay in the start of monetary union," Mr. Tietmeyer said. "It is much more the case that I firmly declined to give the Bundesbank's position on this and said that a discussion of delay was not appropriate at the moment."

"The interview merely points to the dubious nature of the one-sided economic arguments sometimes raised," he added. "Such arguments, in my view, do not promote confidence in the future of the common European currency."

In a transcript of a television interview on Thursday, Mr. Tietmeyer said, "I am a supporter of the euro, and I am above all a supporter of a stable euro."

He also said that the timetable for the euro's introduction, as laid down in the Maastricht treaty, should be adhered to.

Mr. Tietmeyer's remarks to the weekly newspaper, however, led to reaffirmations from other nations that monetary union would go ahead as planned.

Finance Minister Antonio Sola of Franco of Portugal said that any delay would be "politically disastrous" and that it would be "doubtfully wrong if a postponement were engineered to give some countries a better chance at participating."

In Brussels, a European Parliament subcommittee said European finance ministers must put an end to talk of a delay by reaffirming their commitment to the project at their informal meeting next week in Mondorf, Luxembourg.

"We need a really clear message from ministers that the timetable for the euro will be fully respected," said Christa Randzio-Plath, head of the monetary panel.

"Talk of delaying the euro is damaging Europe's best interests," she said.

(Reuters. AP)

strips supply. Psion's industry leadership has come under attack as computer makers such as Compaq Computer Corp. and Hewlett-Packard Co. introduced hand-held computers using Microsoft Corp.'s Windows CE operating system.

But investors banked on prospects for solid profit growth next year, and Psion's shares closed up 10 pence at £37.5.

The Series 5, which starts at £440, is based on a more advanced 32-bit technology. It features a laptop-style keyboard and a touch-sensitive screen, and it records sound.

Psion said it would increase pro-

duction of the Series 5 to 40,000 units a month by October or November, and will hire subcontractors to bolster production further needed.

"It's not a production problem, it's a demand problem, and that's a very nice problem to have," said David Potter, Psion chairman.

Although the popularity of the Series 5 will help Psion accelerate sales growth, the company said full-year profit will fall short of last year's figure because of the rising pound and slowing sales of the earlier-generation Series 3 unit.

(Bloomberg, AFP)

*Bloomberg, Reuters.*

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NASDAQ

Thursday's 4 P.M.  
The 1,000 most-traded National Market securities  
in terms of dollar value, updated twice a year.  
The Associated Press.

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
Apple	45.00	44.00	44.50	44.50	600,000
Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000
Twitter	1.00	0.50	0.75	0.75	5,000
LinkedIn	0.50	0.25	0.35	0.35	2,000
Instagram	0.25	0.10	0.15	0.15	1,000
WhatsApp	0.10	0.05	0.07	0.07	500
Telegram	0.05	0.02	0.03	0.03	200

Symbol	High	Low	Open	Close	Volume
Microsoft	55.00	54.00	54.50	54.50	800,000
Apple	45.00	44.00	44.50	44.50	600,000
Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000
Twitter	1.00	0.50	0.75	0.75	5,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
Apple	45.00	44.00	44.50	44.50	600,000
Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
Apple	45.00	44.00	44.50	44.50	600,000
Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
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Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

NYSE

Thursday's 4 P.M. Close  
(Continued)

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
Apple	45.00	44.00	44.50	44.50	600,000
Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
Microsoft	55.00	54.00	54.50	54.50	800,000
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Oracle	35.00	34.00	34.50	34.50	400,000
Sun	25.00	24.00	24.50	24.50	300,000
Amazon	15.00	14.00	14.50	14.50	200,000
Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
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Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
IBM	100.00	99.00	99.50	99.50	1,200,000
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Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
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Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000

Symbol	High	Low	Open	Close	Volume
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Google	10.00	9.00	9.50	9.50	100,000
Yahoo	5.00	4.00	4.50	4.50	50,000
Alibaba	3.00	2.00	2.50	2.50	20,000
Facebook	2.00	1.00	1.50	1.50	10,000





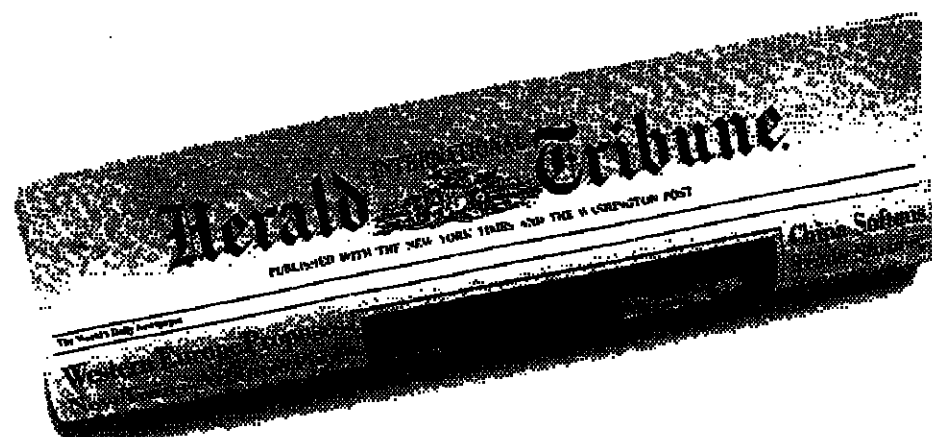


# 1997 Summits & Conferences

As an extension of the news and commentary the International Herald Tribune brings to its readers, the newspaper has a successful and highly-respected worldwide summit and conference program that focuses on economic and political issues. The program for the second half of 1997 includes:

- **World Water: Financing for the Future** Istanbul  
*September 30-October 1*
- **Romania Investment Summit** Bucharest  
*October 29-30*
- **Oil & Money Conference** London  
*November 18-19*
- **Southern Africa Trade & Investment Summit** Gaborone  
*November 18-19*

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